Dresses and Related Apparel (Women's, Misses' and Juniors')

FAIRCHILD FACT FILE

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DRESSES & RELATED APPAREL
(WOMEN'S, MISSES' & JUNIORS')

MARKET TRENDS

In contrast with the overall weakness of women's apparel sales, consumers have demonstrated a renewed interest in all classifications of dresses and eveningwear. Dresses now account for 12% of purchases of women's clothing. Established dress houses are updating and upgrading their lines. Long overlooked dress departments are being spruced up: the focus is on upscale merchandise, and in-store shop concepts. Manufacturers and retailers are targeting a younger, more career-oriented customer. Leading styles include coat dresses, two-piece jacket dressing, floral prints and soft suitings, with silk, linen and cotton as popular fabrics.

One reason for the success of dresses is that, unlike other women's apparel, length has not been as big an issue; especially in the evening classifications. Sportswear manufacturers, for example, went much shorter and slimmer than the dress market. An emphasis on updated styles and adaptations of easy sportswear looks also built sales.

Dressier clothes for social occasions are in demand, including prom dresses, cocktail dresses and evening wear. Moderate price dress manufacturers are rushing to open new evening wear divisions to capitalize on the growth in social dressing which has been strong and steady.

Strong merchandising programs and easy styles have helped sportswear companies such as Liz Claiborne, Ellen Tracy and Mary Ann Restivo capture a healthy portion of the $10 billion retail dress market. By launching separate dress divisions as a result of hefty sales of the limited dress offerings in their sportswear lines, these companies have been able to trade on brand loyalty and reputation. Sportswear houses also attribute their rapid growth as dress resources to a constant churning out of updated lines, as well as to the creation of separate areas for designer dresses.

Regionally, some Los Angeles firms are increasing their Eastern presence as a result of recent intense efforts to penetrate the dress market. However, other established California resources insist the attention is a result of years of efforts to cultivate relationships with merchants. Nancy Johnson Corp.'s East Coast business, for example, has grown to account for 60% (up from 40% three years ago) of Johnson's annual volume, estimated to be more than $26 million in 1988.

Dresses and related apparel for the uniform and service worker market in restaurants, supermarkets, hotel chains, pharmaceutical companies and other end users is changing, according to industry executives. Ready-to-wear companies looking for expansion opportunities are entering the $3 billion market, driving price points down. Companies are doing more direct selling to corporate customers. Another market is direct sales to the consumer through home parties or corporate settings. Rentals made up 99% of the market just 10 to 15 years ago according to industry sources, but today direct sales account for 20% and are increasing.

The growing uniform/service apparel business has been very little affected by imports. Manufacturers are exporting more, to both Europe and Japan. As manufacturing activity has declined in the U.S., a shift in demand has occurred. Demand is moving away from industrial assembly-line uniforms and tending toward service industry apparel, and corporate uniforms are taking on less of a portective role and more of an image function. Manufacturers are redirecting their efforts to areas that require better service and quality such as specialized hi-tech manufacturing, with "clean room" requirements.

MARKET TRENDS (continued)

The introduction of fashion into career apparel over the past years has also played a major role in the buying habits of users. A greater variety of fibers are being used, including more rayon, cotton and acrylic, and a greater variety of blends. More specialty fibers offer added characteristics, such as stretch and more comfort.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

A measure of trends in the women's, misses' & juniors' dress industry is developed in the annual report, U.S. Industrial Outlook, compiled by the International Trade Administration. As noted below, information is reported on both a current and constant dollar basis, (eliminating the effect of inflation).

Women's, Misses' & Juniors' Dress Industry Trends 1972-1987

	Compound Annual Change	
	1972-85	1980-85
Value of U.S. industry shipments (current $)	+ 3.0	+ 3.7
Value of industry shipments (1982 $)	- 0.4	+ 1.6
Total employment	- 4.2	- 7.2
Production workers	- 4.3	- 7.1
Average hourly earnings	+ 6.5	+ 8.9

Source: U.S. Department of Commerce,
International Trade Administration:
1988 U.S. Industrial Outlook

A complete census of all manufacturers in the U.S. which have one or more paid employees is compiled every five years by the U.S. Bureau of the Census. Compilation of data for 1987 is now underway, but it will be two years before reports are released.

The Census Bureau also conducts annual surveys using a sample of manufacturers in order to develop estimates on key measurements of manufacturing activity in intercensal periods. Results from the recently issued 1986 Annual Survey of Manufactures show a rise of 4.3% compared with 1985 in the value of products and services sold by plants classified in the women's, misses' & juniors' dress industry. The value of products and services for the washable service apparel industry are included in SIC 2339, a broad classification of women's outerwear, primarily in the sportswear/separates category. (See the WOMEN'S SPORTSWEAR FACT FILE. For tailored uniforms see the WOMEN'S COATS, SUITS, TAILORED CAREER WEAR FACT FILE.)

GENERAL INDUSTRY STATISTICS

Womens', Misses' & Juniors' Dress Industry (SIC 2335*)

	1986	1985	1982	% Change 1986/85
Number of companies	na	na	5,489	na
Number of establishments, total	na	3,724#	5,627**	na
Employees, total (thous.)	111.8	121.0	137.9	- 7.6%
Production workers (thous.)	94.5	105.2	120.0	-10.2
Payroll (mil. $)	$1,240.1	$1,254.9	$1,268.3	- 1.2
Value added by manufacture (mil. $)***	2,664.3	2,576.6	2,413.2	+ 3.4
Value of industry shipments (mil. $)##	5,504.2	5,277.2	4,623.3	+ 4.3
Capital expenditures, new (mil. $)	36.6	58.4	68.1	-37.3
New machinery & equip. (mil. $)	29.7	49.8	57.6	-40.4

na not available

* SIC (Standard Industrial Classification) 2335 covers cut-and-sew shops primarily engaged in manufacturing women's, misses' and juniors' dresses, ensemble dresses and pants dresses. It also includes manufacturers of dresses which are cut and sewn from purchased knit fabric. Dresses made in knitting mills valued at $15.1 million in 1982 are not included.

** Covers manufacturing establishments (plants) with each location being separately counted. Separate auxiliary locations serving the plants (i.e., administration offices, sales offices, etc.) are not included. The dress industry data for 1982 includes 2,105 regular, or inside factory operations. Plus, 644 jobbers and 2,877 contractors. The functions of a jobber involves buying raw materials and marketing the finished product, but the actual processing of the product is done on contract in an outside factory. The function of a contractor is to make products in his establishment to defined specifications from materials owned by others. Unlike manufacturers and jobbers, the contractor is not involved in the actual sale of finished goods.

*** Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods, other materials, contract work, etc., from the value of shipments with adjustments for finished product inventories. It avoids the duplication in value of production which results from the use of products of some manufacturing establishments as materials by others. It is for most purposes the best value measure of individual industries.

# Covers manufacturing establishments with paid employees, as reported in County Business Patterns, U.S. Bureau of the Census.

## Value of dress industry shipments includes receipts for contract work, all items made by or for each establishment from materials owned by it, and also miscellaneous receipts. It includes both primary and secondary products made in the industry. Figures on shipments of dresses by all producers, including those classified in other industries, are shown in the section on PRODUCT SHIPMENTS.

Source: U.S. Bureau of the Census:
1982 Census of Manufactures, MC82-1-23B, M82-S-1;
Annual Survey of Manufactures, 1985, 1986

GENERAL INDUSTRY STATISTICS

Industry Concentration

Sales and Marketing Management Magazine estimates 1,667 plants manufacturing women's and misses' dresses had receipts of $4,275.7 million in 1987. Large plants with 100 or more employees represented only 13% of total plants but accounted for 56% of industry shipments. However, the dress industry is less concentrated than other segments of apparel in which large plants comprise up to 94% of industry shipments.

Large Plants and Their Share of Industry Shipments: 1987

		Number of Plants			Est. Shipments	
SIC	Industry	Total	With 100+ Employees	% of Total	Total	% By Large Plants*
2335	Women/Misses Dresses	1,667	216	13.0%	$4,275.7	56%

* Plants with 100+ employees

Source: Sales & Marketing Management:
"Survey of Industrial Buying Power"
(April 1988. All rights reserved.)

According to the 1982 Census of Manufacturers covering all U.S. manufacturing plants with paid employees, 97% of all dress companies operated only one plant accounting for 72% of industry shipments. The fifty largest companies had only a 28% share in 1982.

Women's & Misses' Dresses
Share of Value of Industry Shipments Accounted for By The Largest Companies

		Value of Industry Shipments*				
			Percent accounted for by largest companies:			
	No. of Companies	Total (mil. $)	4 largest	8 largest	20 largest	50 largest
1982	5,489	$4,623.3	6%	10%	17%	28%

* For an explanation of terms see page 3.

Source: U.S. Bureau of the Census:
1982 Census of Manufactures;
Concentration Ratios in Manufacturing MC82-S-7

Industry Concentration (continued)

The Bureau issues annual figures on the number of establishments (plants) by employment size. The latest available report covers the year 1985. Plants with fewer than 20 employees dominate the industry representing 55.5% of all establishments.

Number of Women's Dress Manufacturing Establishments
By Employment Size, 1985

	Establishments	
	Number	% of total
Women's & misses' dresses (SIC 2335)	3,724	100.0%
By establishment size:		
Under 20 employees	2,058	55.5
20 - 49 employees	1,060	28.7
50 - 99 employees	388	10.7
100 or more employees	218	5.1

Source: U.S. Bureau of the Census:
County Business Patterns, 1985

Employment & Earnings

From an annual average of 211,600 employees in 1972, dress industry employment dwindled to an average of only 82,800 in 1987. Imports brought about this decline as well as competition for the consumer dollar from sportswear and separates. Now, however, dress demand is picking up, and some manufacturing is returning to the U.S.

The women's dress industry is labor intensive and manufacturing costs in the U.S. are significantly higher than off-shore producers, particularly those in the Far East. U.S. manufacturers have not only consolidated their operations, but many have upgraded equipment (installing computer-aided sewing machines, updated pattern-cutting equipment, etc.) to compete.

In addition, some manufacturers are using the provisions of the 807 rule in the Tariff code which allows them to cut garments in the U.S., ship the pieces to Caribbean Basin countries and Mexico for assembly in plants with lower labor costs, then import the finished garment. Duty must be paid only on the value added in assembling the garment abroad.

Dresses are particularly prone to quick changes in fashion. The need for quick deliveries and for low inventories are important factors helping to bring some sourcing for fashion goods back to the U.S. The high cost of dresses in many foreign markets affected by the devaluation of the dollar is another factor favoring some U.S. producers.

Employment & Earnings (continued)

Trends in Employment and Earnings in the Dress Industry, Annual 1972, 1983-1987 & July 1987, 1988

		Production Workers			
	Total Employment (thous.)	Employment (thous.)	Average Weekly Earnings	Average Hourly Earnings	Average Weekly Hours
July average					
1988(p)	73.5	59.9	$213.67	$6.14	38.4
1987	77.6	64.5	217.77	6.10	35.7
Annual average					
1987	82.8	69.3	212.36	6.05	35.1
1986	86.2	72.8	199.83	5.86	34.1
1985(r)	93.8	78.8	195.46	5.80	33.7
1984	113.8	96.5	188.10	5.70	33.0
1983	123.1	105.6	180.73	5.51	32.8
1972	211.6	186.5	na	na	na

(p) preliminary
(r) revised
na not available

Source: U.S. Department of Labor, Bureau of Labor Statistics

Monthly Pattern in Dress Industry Production Worker Employment 1987, 1986
(Index: Annual Average = 100)

	1987	1986
Years Average	100.0	100.0
January	96.1	102.5
February	100.1	106.5
March	104.0	109.0
April	103.2	106.8
May	100.6	101.9
June	102.6	101.1
July	93.1	89.6
August	99.6	97.2
September	101.0	97.4
October	102.5	97.9
November	99.4	93.3
December	98.4	97.2

Source: Based on Bureau of Labor Statistics reports

GENERAL INDUSTRY STATISTICS

Leading Manufacturers

The Leslie Fay label accounts for about a third of all dresses sold at retail in the United States, and had sales of about $110 million in 1986, according to Women's Wear Daily (Nov. 17, 1987). The recent introduction of in-store concept shops in 200 locations thoughout the country, and the Albert Nipon and Mary Ann Restivo acquisitions in 1988 have resulted in increased sales and profits in dresses. Sales for all divisions (including sportswear) were up 14% to $517.5 million in 1988.

The St. Gillian Group, a 15 year old ready-to-wear firm with sales growing at least 50% annually over the last five years, jumped from $16 million to more than $100 million in sales over that period. In addition to two career dress divisions, the firm's seven divisions offer day-into-evening dresses, eveningwear and sportswear. St. Gillian is a major resource in many bridge dress departments.

Liz Claiborne's six-year-old dress division racks up annual sales topping $100 million. The company is planning to open three prototype shops in the spring of 1989, one of which, called Liz Career, will focus on working women, with dresses and career oriented sportswear.

Abe Schrader Corp recently launched its G.B. Scott division focusing on a younger, more career-oriented customer at slightly higher prices than the traditional Schrader Sport dress division. The company does between $60 to $70 million at retail in dresses.

At David Warren Enterprises, the consolidation of divisions and a new emphasis on private label manufacturing are keys to the firm's marketing. Dresses account for an annual volume in excess of $50 million. They are concentrating on day-to-evening, with a younger, less traditional customer. David Warren Enterprises comprises seven divisions of which five are dress divisions, including private label.

Liz Roberts, Inc.--comprising Liz Roberts daytime dresses, Liz Petites, and Liz Sophisticates for large sizes--is opening a better-price division, Liz Ashley, with projected volume of about $5 million for the first year. Their mother-of-the-bride business is strong, but the large size division is the fastest growing area.

Nancy Johnson, a West Coast manufacturer, estimates annual volume to be more than $26 million in 1988. Patty O'Neil does $18 to $20 million annually, and they are trademarking their name internationally and developing the business in Europe.

Studio One is expanding petite and large sizes. The 6-year-old dress firm projects special sizes will account for at least $5 million of 1988's estimated $19 million volume (up from $9 million in 1986).

Other leading moderate resources include Moonglow, Positive Attitude and Wild Rose. In the better dresses area, Maggy London is strong.

PRODUCTION

The U.S. Bureau of the Census compiles monthly and annual reports on production of dresses by U.S. producers. This includes those cut or knit within the 50 states from material owned by the reporting company or by others on its account. In addition, dresses which are cut in the U.S., sent outside the country to be sewn, and shipped back to the U.S. under the 807 import category are included.

PRODUCTION

The figures are compiled through mail surveys among all known manufacturers and jobbers of women's dresses, except very small firms (generally less than five employees).

According to the Bureau, in the first quarter of 1988, 42,184,000 women's and girls' dresses were manufactured; almost 18% below the total reported in the same period of 1987. The annual summary report issued by the Census Bureau indicated that the output in 1987, of about 132 million units, was 1.1% below the 1986 total. Cuttings of cotton and chiefly cotton dresses, however, gained 23% as consumer preference turned to natural fibers.

Overall production of washable service apparel declined almost 7.4%, but items of cotton registered a 4.5% gain versus a 11.9% decline in production of manmade and other fabric uniforms.

U.S. Production of Dresses & Washable Service Apparel by Fabric and Construction 1986, 1987

	Thousands of Units		% Change
	1987	1986	1987/86
Women's, misses' & juniors' dresses*	131,949	133,412	- 1.1%
By fabric:			
Woven fabric:	107,485	105,552	+ 1.8
All cotton & chiefly cotton	33,514	27,311	+22.7
All manmade & chiefly manmade	66,439	71,432	- 7.0
All wool & chiefly wool	945	1,127	-16.2
All other woven fabrics	6,587	5,682	+15.9
Knit fabric:	18,304	22,060	-17.0
All cotton and chiefly cotton	4,429	4,126	+ 7.3
All manmade and chiefly manmade	13,469	16,847	-20.1
All wool and chiefly wool	na	521	na
All other knit fabrics	na	566	na
Fabric, n.s.k.	6,160	5,800	+ 6.2
	Thousands of Dozens		
Washable Service Apparel, incl. uniforms, medical & lab jackets, smocks, etc.	2,490	2,690	- 7.4
By type:			
Smocks, lab coats, etc.	607	576	+ 5.4
Uniform dresses	469	599	-21.7
Uniform pants sets	222	296	-25.0
Other	283	257	+10.1
Type n.s.k.	909	962	- 5.5
By fabric:			
All cotton and chiefly cotton	535	512	+ 4.5
All manmade, chiefly manmade and all other fabric	1,628	1,848	-11.9
Fabric, n.s.k.	327	330	- 0.9

*Includes suit-type dresses, formal, work, house, etc.
n.s.k. not specified by kind
na not available

Source: U.S. Bureau of the Census: Current Industrial Reports; Women's & Children's Outerwear, 1987
MA23F(87)-1

PRODUCTION

Materials Consumed in Production

Despite current price increases, consumer demand for more natural fiber products fueled the use of cotton in apparel. While the total market for fabric used in all women's, misses' and juniors' apparel declined 1.7% in 1987, cotton increased a record 6.9% and cotton's share of the market in women's apparel rose from 37% to 41%.

Cotton's share of the dresses market grew to 34% in 1987, up from 30% in 1986, and 22% in 1985. For women's washable service apparel, cotton comprised 35% of the market in 1987 on a fabric weight basis, up from 32% in 1986, and 24% in 1985, according to the National Cotton Council.

Seasonality in Production

Production was heaviest in the first quarter of 1987 and lowest in the final quarters. Dress cuttings in the U.S. plants are typically at a peak in March/April, declining to a low point in December.

Percent of Year's Cuttings of Dresses, 1987

Total dress cuttings	100.0%
By quarter	
First	29.9
Second	27.1
Third	22.9
Fourth	20.1

Source: U.S. Bureau of the Census: Current Industrial Reports, 1987

PRODUCT SHIPMENTS

In contrast with the value of "industry shipments" which have been covered in the section on GENERAL INDUSTRY STATISTICS, and defined on page 4, product shipments cover the value of specific products made by all manufacturers with payroll, including those classified within the industry (primary producers) and those classified in other, unrelated industries (secondary producers).

The Department of Commerce has analyzed the value of product shipments in terms of current dollars and in constant (1982) dollars to eliminate the effects of inflation (which accounted for a major share of gains since 1972).

Trends in the Value of Shipments of Women's, Misses' & Juniors' Dresses

	Compound Annual Percent Change	
	1972 - 1985	1980 - 1985
Shipments:		
Current $	+ 3.6%	+ 6.1%
1982 $	+ 0.7	+ 4.5

Source: U.S. Department of Commerce:
U.S. Industrial Outlook, 1988

PRODUCT SHIPMENTS

The value of shipments reported in the Current Industrial Reports issued by the Census Bureau is developed through surveys among all known U.S. manufacturers and jobbers, except very small firms. Apparel items assembled overseas, but cut in the U.S., which are then sent back to the U.S. producers under the terms of the 807 Tariff regulation are included in the CIR reports, but not apparel items produced entirely abroad.

The value of shipments of women's, misses' and juniors' woven dresses, as classified in the CIR report, rose 6.7% in 1987. However, washable service apparel shipments declined 6.4%, in value.

Value of Shipments of Reported Women's, Misses' & Juniors' Dresses & Washable Service Apparel 1986, 1987
(Millions of dollars)

	1987	1986(r)	% Change 1987/86
Dresses	$3,080.3	$2,886.8	+ 6.7%
Washable Service Apparel including uniforms	235.8	252.0	- 6.4

Source: U.S. Bureau of the Census:
Current Industrial Reports;
Women's and Children's Outerwear MA23F(85)-1

Information on product shipments is collected in detail, every five years, in the complete census of manufactures compiled by the U.S. Department of Commerce, Bureau of the Census; the latest reports cover operations in 1982. In intercensal years, the Census Bureau compiles information on product shipments in summary form in annual surveys based on a representative sample of manufacturers with payroll. In the 1986 annual survey, the value of domestic shipments of women's, misses' & juniors' dresses increased 4.6% in current dollars over the 1985 total.

Requiring small runs and quick responses to changes in styles, the dress industry by its very nature is dominated by small manufacturers. According to the 1982 Census of Manufactures, the top 50 U.S. dress manufacturers controlled only 37% of the value of dress shipments. In contrast, the top 50 companies producing washable service apparel in the U.S. had a 98% share of U.S. shipments.

Share of Women's, Misses' & Juniors' Dress and Washable Service Apparel Shipments By the Largest U.S. Manufacturers, 1982

	Product Shipments (Mil. $)	Percent Accounted For By the Largest Companies			
		Top 4	Top 8	Top 20	Top 50
Dresses	$2,988.6	8%	13%	22%	37%
Washable Service Apparel	250.4	32	48	77	98

Source: U.S. Bureau of the Census:
1982 Census of Manufactures;
Concentration Ratios in Manufacturing MC82-S-7

PRODUCT SHIPMENTS

By State

In 1982, over half of all dress shipments were from New York, with California representing another 20% of shipments. However, only a quarter of washable service apparel shipments are from New York. (These figures are from the latest government data based on the 1982 Census.)

Value of Shipments By All Producers in Leading States: 1982
(Millions of dollars)

Product	1982 Value	1982 %
Women's, misses' & juniors' dresses, total	$2,988.6	100.0%
States		
New York	1,555.4	52.0
California	596.5	20.0
Pennsylvania	225.2	7.5
Texas	102.8	3.4
Florida	77.0	2.6
All others	431.7	14.4
Commission work on women's, misses' & juniors' dresses, total	$1,029.1	100.0%
Washable Service Apparel, total	250.4	100.0
States		
New York	62.6	25.0
California	37.0	14.7
Georgia	23.5	9.4
Tennessee	18.4	7.3
All others	108.9	43.4

Source: U.S. Bureau of the Census:
1982 Census of Manufactures;
Industry Series MC82-I-22B

PRODUCER PRICE INDEXES

Prices of women's dresses at the U.S. factory level in August 1988 averaged 2.8% above the level in the same month a year earlier, while washable service apparel prices increased 0.4% over the same period.

For 1987, producer prices of dresses registered a gain of 2.6% compared with 1986 according to the Bureau of Labor Statistics. The 1987 average was 13.0% above the index in the December 1980 base period, attributable to the rise in prices of cotton, wool and manmade fibers.

PRODUCER PRICES

Women's, Misses' & Juniors' Dresses
Producer (Factory) Price Indexes

	Index		% Change	Annual Average Index	
	August 1988(p)	Aug. 1987	August 1988/87	1987	1986
All apparel (Dec. 1984=100)	107.6	102.1	+ 5.5%	103.9	102.3
Women's, misses', juniors'					
Outerwear (Dec. 1984=100)	108.8	104.9	+ 3.7	104.5	102.7
Dresses (Dec. 1980=100)	116.5	113.3	+ 2.8	113.0	110.1
Washable Service Apparel (June 1986=100)	100.8	100.4	+ 0.4	100.3	na

(p) preliminary
na not available

Source: U.S. Department of Labor,
Bureau of Labor Statistics

IMPORT PRICES

Devaluation of the U.S. dollar did not have an immediate impact on the newly industrialized countries which are major sources of women's wear. However, the currencies of three of the Nation's major trading partners--Singapore, South Korea, and Taiwan--rose 8.8%, 8.8% and 24.1%, respectively, in 1987. Taiwan had both the largest overall trade surplus and the largest currency appreciation vis-a-vis the U.S. of any of the newly industrialized countries.

As of July 1988, the apparel import price index compiled by the U.S. Bureau of Labor Statistics registered a 5.1% gain over the July 1987 index. For women's and children's outergarments, the gain from July 1987 to July 1988 was 2.3%. The indexes are based on prices paid by the U.S. importer in U.S. dollars.

FOREIGN TRADE

As imports of dresses have increased, U.S. production has declined. An analysis of total new supply of women's and children's dresses (manufacturer's shipments minus exports, plus imports) compiled by the Census Bureau, showed imports accounting for 28% in terms of quantity in 1987. Comparable figures for 1986 and 1985 were 26.3% and 21.2%, respectively. In terms of value, imports represented about 22% of new supply last year, up from 15.5% in 1985.

Shipments, Exports, Imports & Apparent Consumption
Of Women's & Children's Dresses: 1986, 1987
(Quantity in thousands of dozens; value in millions of dollars)

				Percent Change	
QUANTITY	1987	1986	1985	1987/86	1986/85
Manufacturer's shipments	16,648	16,984	18,646	- 2.0%	- 8.9%
Exports of domestic mdse.	775	1,203	840	-35.6	+43.2
"807" imports	na	309	381	--	-18.9
Total imports for consumption	6,170	5,637	4,778	+ 9.4	+18.0
Apparent consumption (new supply)	22,043	21,418	22,584	+ 2.9	- 5.2
Imports: % of new supply	28.0	26.3	21.2	+ 1.7	+ 5.1

				Percent Change	
VALUE	1987	1986	1985	1987/86	1986/85
Manufacturer's shipments*	$3,601.1	$3,418.7	$3,715.9	+ 5.3	- 8.0
Exports of domestic mdse.**	34.0	35.8	32.1	- 5.0	+11.5
"807" imports:					
Value: U.S. content	na	11.5	12.5	--	- 8.0
Total value, c.i.f.	na	20.1	22.7	--	-11.4
Total imports for consumption***	997.7	849.4	677.8	+17.5	+25.3
Apparent consumption (new supply)	4,567.8	4,232.3	4,361.6	+ 7.9	- 3.0
Imports: % of new supply	21.8	20.1	15.5	+ 1.7#	+ 4.6#

na not available
* Value of manufacturers shipments is f.o.b. plant
** Value of exports is value at port.
*** C.I.F. value including cost, insurance and freight to port of entry, plus U.S. import duties.
# Percentage points of increase.

Source: U.S. Bureau of the Census:
Current Industrial Reports
MA23F (87)-1

In an analysis of domestic consumption of dresses for women (excluding children) by Kurt Salmon Associates, imported dresses represented 24% of total unit purchases in 1987 compared to 22% in 1986. Imports increased 20.8% in dollar volume from 1986 to 1987.

For the first half of 1988, imports share of retail dollars was 24.5%, representing an 8.5% decline in dollar volume.

Exports

An overview of trends in exports of dresses by the International Trade Administration highlights recent developments: for the 1980-1985 period, the value of exports declined 12.7% on a compounded annual basis, but in 1987, exports value doubled over 1986. Exports continued to grow in the first quarter of 1988 increasing 37.4% in quantity and 27.3% in value compared with the same period in 1987.

Exports (continued)

Trends in Value of Dress Exports

	Percent Change Compound Annual 1972-85	Percent Change Compound Annual 1980-85
Women's, misses' dresses Value of Exports	+ 4.7	- 12.7

Source: International Trade Administration: U.S. Industrial Outlook, 1988

In 1987, exports of wool dresses grew nearly eight times over 1986 in units and nine times over 1986 in dollar value.

Summary of U.S. Exports for Consumption of Women's & Children's Dresses, 1986, 1987

	Quantity (Thous. Doz.)		% Change	Customs Value* (Thous. Dol.)		% Change
	1987	1986	1987/86	1987	1986	1987/86
Total reported categories:	412.9	388.0	+ 6.4	21,535	10,492	+105.3%
Wool	15.0	1.7	+ 782.4	806	77	+946.8
Cotton	63.8	28.1	+ 127.0	2,993	1,336	+124.0
Manmade	294.9	349.5	- 15.6	16,484	8,656	+ 90.4
Other fibers	39.2	8.7	+ 350.6	1,252	423	+196.0

* Customs value is the purchase price and excluding all freight, insurance and other charges incurred in bringing the merchandise to the U.S.

Source: U.S. Bureau of the Census: U.S. Exports, Schedule E FT 135 December 1986, 1987

Imports

The growth in imports has been fostered not only by foreign producers but by large U.S. retailers sourcing abroad, particularly to develop private label brands, and by U.S. companies opening plants overseas.

Tighter controls and new quota restrictions, as well as conditions in the U.S. market are reflected in a slowdown in dress imports. Imports of dresses declined 8.5% in units in the first quarter of 1988. The value of imports was up 12.4% due to the fact that imports became more expensive, according to the International Trade Commission. For 1987, dress imports were up 15.6% in quantity and 27.8% in customs value, according to the Census Bureau.

Much of the 1987 growth in the value of dress imports resulted from a sharp rise in prices. Higher prices resulted from: (1) the weak dollar, which raised the cost of imports to U.S. buyers; (2) tighter quotas on imports from some countries, which encouraged suppliers to ship higher value merchandise to maximize profits; and (3) limited availabilities and higher raw material costs for some items. However, the very sharp gain in world wool prices resulted in a decline in wool dress imports.

AT THE RETAIL LEVEL

THE POTENTIAL MARKET

A larger and older female population will have important ramifications in the dress market. By 1995, the total female population over age 16 is expected to increase 5.5% reaching a total of 103.7 million. The number of women in the 35-54 age bracket will climb 23% by 1995. Women 20-34 represent the largest segment of the adult female population in 1988, but they will be surpassed by the 35-54 year olds, who will represent 27.9% of all females in 1995, and 29.2% in 2005. The median age will increase from 33 and a half in 1988, to over 39 in 2005. In contrast, the number of 16-19 year olds will decline 9%, and the 20-34 age group will drop 8.5% in number by 1995.

Female Population Projections 1988, 1995, 2005*
(Middle Series)

	Number (thousands)			% Change	Percent Distribution		
	1988	1995	2005	1995/1988	1988	1995	2005
Total all ages	125,911	133,191	141,381	+ 5.8%	100.0%	100.0%	100.0%
Under 16 years	27,574	29,481	28,365	+ 6.9	21.9	22.1	20.1
16 years & older	98,337	103,710	113,016	+ 5.5	78.1	77.9	79.9
16 - 19 years	7,161	6,517	7,708	- 9.0	5.7	4.9	5.5
20 - 34 years	31,141	28,497	26,497	- 8.5	24.7	21.4	18.9
35 - 54 years	30.236	37,190	41,249	+ 23.0	24.0	27.9	29.2
55 - 64 years	11,469	11,059	15,399	- 3.6	9.1	8.3	10.9
65 & over	18,330	20,447	21,954	+ 11.5	14.6	15.3	15.5
Median age	33.6	35.9	39.2	+ 6.8			

* Middle of a series of three different projections, each based on alternative assumptions ~~for~~ future fertility, mortality and net immigration levels. Includes armed forces overseas.

Source: U.S. Bureau of the Census:
Current Population Reports,
Series P-25

Working Women

The size of the potential market for women's dresses has expanded-not only due to the growth in the adult female population (particularly young adults) but, also from the rapid rise in the number of women in the labor force.

The labor force participation rate of women ages 25 to 54, at 70.8% in 1986, is projected to reach 80.8% by 2000. In the year 2000 activity rates are expected to rise steadily from the teen years to a peak in the 35 to 44 age group, then to decline in the 45 to 54 age group before dropping off sharply for those 55 and over. This is similar to the male pattern of participation.

Working Women (continued)

Both the dress market and the service apparel market should benefit from the expected growth of 83.5% in the number of working women aged 45 to 54 years and an increase of 51.1% in the 35 to 44 age group by 2000.

Female Civilian Labor Force By Age, 1986, 2000

	Labor Force (thousands)		Participation Rate *		Percent Change	Growth Rate
	1986	2000	1986	2000	1986 - 2000	
Women, 16 years & older	52,414	65,639	55.3%	61.5%	+ 25.2%	+ 1.6
16 - 19 years	3,824	4,379	52.9	59.2	+ 14.5	+ 1.0
20 - 24 years	7,293	6,746	72.4	78.4	- 7.5	- 0.6
25 - 34 years	15,209	15,098	71.6	82.3	- 0.7	- 0.1
35 - 44 years	12,204	18,438	73.1	84.2	+ 51.1	+ 3.0
45 - 54 years	7,746	14,220	65.9	75.4	+ 83.6	+ 4.4
55 - 64 years	4,940	5,732	42.3	45.8	+ 16.0	+ 1.1
65 years & over	1,198	1,026	7.4	5.4	- 14.4	- 1.1

* Labor force as a percent of population

Source: U.S. Bureau of Labor Statistics:
Monthly Labor Review (September 1987)

Most employed women work full-time. In 1986, 78% of all employed women ages 25 to 54 worked full time; another 5% wanted to do so, and only 17% worked part-time voluntarily. About 53.7 million women (or 56% of women 16 or over) were in the labor force in 1987, an increase of 2.4% from a year earlier. As in the past, women are projected to account for more than 60% of labor force growth.

The U.S. Bureau of Labor Statistics published revised projections on the labor force through 2000. The middle of three projections assumes that labor force participation of women will rise then taper off. These projections show 66 million women in the labor force in 2000, an increase of 13.2 million from 1986, representing an annual rate of growth of 1.6%. This growth rate is below the 3.3% rate of the 1972-1986 period, during which young women of the baby boom were entering the labor force. With the growth shown in these projections, women would make up 47% of the labor force in 2000, up from 39% in 1972 and 45% in 1987.

The proportion of women in managerial and professional positions has been on the rise since the 1970s. By 1987, 24.4% of women fell into this category compared with 21.7% who fell into this classification in 1983 according to the Bureau of Labor Statistics. The passage of women into upper management positions could mean increased sales for the career dress market.

Working Women (continued)

Employment of Women by Occupation, 1986, 1987
(Numbers in thousands)

	1987	1986	% Change 1987/86	% Distribution 1987
Total 16 years & older	50,334	48,706	+ 3.3%	100.0%
Managerial & professional specialty	12,286	11,525	+ 6.6	24.4
Executive, administrative, managerial	5,053	4,653	+ 8.6	10.0
Professional specialty	7,232	6,872	+ 5.2	14.4
Tech., sales & admin. support	22,704	22,223	+ 2.2	45.1
Technicians & related support	1,624	1,581	+ 2.7	3.2
Sales occupations	6,465	6,383	+ 1.3	12.8
Admin. support, including clerical	14,614	14,260	+ 2.5	29.0
Service occupations	9,130	8,905	+ 2.5	18.1
Private household	900	942	− 4.5	1.8
Protective service	271	221	+22.6	0.5
All other service	7,959	7,742	+ 2.8	15.8
Precision, production & craft repair	1,153	1,150	+ 0.3	2.3
Operators, fabricators & laborers	4,508	4,355	+ 3.5	9.0
Farming, forestry & fishing	554	548	+ 1.1	1.1

Source: U.S. Bureau of Labor Statistics:
Employment & Earnings (January 1988)

Money Income of Women

The median income for women in 1987 was $8,101 (including those working only part-time). Year-round full-time working women had a median income of $17,504. Women in families with the spouse present made $11,323 versus $9,976 for those with the spouse absent. Women in professional specialty positions earned a median income of $19,643 while female executive administrators and managers earned a median income of $19,134. Women with 5 years or more of college had median incomes of $22,277.

Considering money income from all sources, the 35-44 age group had the highest median for women in 1987 of $11,969. The greatest number of women with incomes over $30,000 were 35-44 years of age -- the earliest of the baby boom crop (1949-1964).

THE POTENTIAL MARKET

Money Income of Women (continued)

Total Money Income of Women
By Age Group, 1987
(Numbers in thousands)

	Total	15-19	20-24	25-34	35-44	45-54	55-64	65 & Over
Total	98,168	8,907	9,586	21,649	17,606	12,275	11,456	16,691
With income	89,279	5,966	8,710	20,092	16,423	11,151	10,469	16,467
Under $10,000	50,498	5,655	5,721	9,193	7,152	5,080	6,193	11,501
$10,000-$19,999	22,783	271	2,401	6,474	4,495	3,108	2,551	3,484
$20,000-$29,999	10,089	29	497	3,031	2,804	1,772	1,047	909
$30,000 & over	5,909	11	91	1,394	1,972	1,191	678	573
Median income	$ 8,101	$1,877	$6,895	$11,049	$11,969	$11,219	$7,445	$6,734
Mean income	11,435	2,965	8,406	12,746	14,768	14,127	11,139	9,547

Percent Distribution of Women
By Total Money Income and Age Group, 1987

	Total	15-19	20-24	25-34	35-44	45-54	55-64	65 & Over
Total								
With income	90.9%	67.0%	90.9%	92.8%	93.3%	90.8%	91.4%	98.7%
percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under $10,000	56.6	94.8	65.7	45.8	43.5	45.6	59.2	69.8
$10,000-$19,999	25.5	4.5	27.6	32.2	27.4	27.9	24.4	21.2
$20,000-$29,999	11.3	0.5	5.7	15.1	17.1	15.9	10.0	5.5
$30,000 & over	6.6	0.2	1.0	6.9	12.0	10.7	6.5	3.5

Source: U.S. Bureau of the Census: Current Population Reports
Series P-60, No. 161

SPECIALIZED MARKETS

Service Workers

The service sector of the U.S. economy is registering the fastest growth and bringing with it a growing demand for service apparel. Women make up a dominant percentage of workers in service classifications according to the U.S. Bureau of Labor Statistics.

Service Workers (continued)

Female Employment* in Service Industries, 1986
(Thousands of Persons)

	Female Workers		
	Number	Percent	Earnings (Median weekly)
Hotels and other lodging places	698	55.2%	na
Private household occupations	320	95.8	119
Service occupations, except household	3,598	58.6	195
Food preparation and service	1,315	57.5	173
Waiters & waitresses	472	81.9	168
Food counter, fountain & related	62	79.5	149
Kitchen workers, food preparation	49	76.6	na
Health service occupations	1,132	88.6	213
Dental assistants	112	100.0	243
Health aides, except nursing	212	83.5	241
Nursing aides, orderlies, attendents	808	88.8	202
Personal service occupations	504	72.9	203
Hairdressers & cosmetologists	234	85.4	205
Child care workers, ex. priv. hshld.	132	92.3	177

na not available

* Includes only wage & salary workers who usually work full time.

Source: U.S. Bureau of Labor Statistics:
Monthly Labor Review, June 1987

Selected Occupations With The Largest Projected Growth 1986-2000, Moderate Alternative
(Employment in thousands for both men & women)

Occupation	Employment*		% Change
	1986	2000	1986/2000
Salespersons, retail	3,579	4,780	+33.5%
Waiters & waitresses	1,702	2,454	+44.2
Registered nurses	1,406	2,018	+43.6
Cashiers	2,165	2,740	+26.5
General office clerks	2,361	2,824	+19.6
Food counter, fountain & related workers	1,500	1,949	+29.9
Nursing aides, orderlies & attendants	1,224	1,658	+35.4
Secretaries	3,234	3,658	+13.1
Teachers, kindergarten & elementary	1,527	1,826	+19.6
Receptionists & information clerks	682	964	+41.4
Licensed practical nurses	631	869	+37.7

* Includes self-employed and unpaid family workers as well as wage & salary workers.

Source: U.S. Bureau of Labor Statistics:
Monthly Labor Review, September, 1987

SPECIALIZED MARKETS

Bridal Wear

In 1987 a total of 2,421,000 marriages were performed, up 0.9% from 1986 according to the National Center for Health Statistics. However, a 1% drop in the marriage rate indicates that the increase in the number of marriages did not keep pace with population growth. The 1987 rate is the lowest marriage rate since 1977. A total of 1,097,000 marriages were reported for the first half of 1988, 5% fewer than in 1987.

Marriages in the U.S., 1986, 1987

Number (thousands)		% Change	Rate Per 1,000 Population	
1987(p)	1986	1987/1986	1987	1986
2,421	2,400	+ 0.9%	9.9	10.0

(p) preliminary

Source: National Center for Health Statistics: Monthly Vital Statistics Report

The number of marriages are fairly evenly distributed throughout the year. June is still the most popular wedding month, but just barely. It beats out August, which is followed by July, September, and May. The slowest times of the year are the cold winter months, January and February.

Monthly Pattern in Marriages, 1987

	Marriages	
	Number (thous.)	% of Total
Total	2,421	100.0%
January	132	5.4
February	133	5.5
March	174	7.2
April	192	7.9
May	231	9.5
June	288	11.9
July	230	9.5
August	233	9.6
September	228	9.4
October	206	8.5
November	174	7.2
December	200	8.3

Source: Based on U.S. Department of Health & Human Services: Monthly Vital Statistics Report

Bridal Wear (continued)

While the marriage rate has been declining, the good news for the dress industry has been that traditional weddings, requiring special dresses for brides, attendants, the mother of the bride, and others are back in vogue.

Expenditures in the bridal industry jumped to $27.5 billion in annual retail sales in 1987 according to industry estimates. About one-third of the nearly 2.4 million marriages taking place are remarriages, and the rules of etiquette have relaxed considerably in matters of wedding size, and the wedding dress. For these second marriages, the bride and groom often dress formally. Their selections reflect their greater combined household income of approximately $40,000 which is 45% higher than the average first marriage household income. According to research conducted by Modern Bride in 1984, 18% of the dollars spent of wedding apparel is spent by those remarrying.

The median age of brides in 1985 was 25.2 years, up from 21.3 in 1963. More than half of all women getting married were over 25; almost 30% of these are in their 30's, 40's or older. 81% have attended at least one year of college.

According to a survey of readers, Bride's Magazine found that the average amount spent for a wedding dress is $519, plus $125 for the headpiece/veil, for a total cost of $644. Bridal attendants spend $107 on average per dress, and the mother of the bride spends $157.

Faced with an overcrowded market and intense competition from low-priced imports, domestic dress manufactures are expanding into bridal accessories and innerwear. An anticipated drop in the number of brides to 2.3 million in 1988 also has manufacturers scrambling for new markets. Some are also launching new bridal collections covering a wider range of prices, as well as a line of prom dresses. Licensing is another way to expand the business. Both Oscar de la Renta and After Six, Inc. have licensed Bridal Originals Co. to produce a line of bridal gowns.

With imports from the Far East controlling 25% of the bridal market, more American manufacturers are seeking to produce offshore to remain competitive, according to National Bridal Service, an industry trade association. (See page 34 for Consumer Purchase Patterns.)

Maternity Wear

In 1987, there were an estimated 3,829,000 live births in the U.S., up 2.6% from 1986. The birth rate per 1,000 population was 15.7 in 1987, up from 15.5 in 1986. The monthly pattern in births peaked in the July-September period. The fertility rate was 71 births per thousand women 18 to 44 years old, not significantly different from the 1986 rate of 70.3 per thousand. The fertility rate for women 30 to 34 years old has shown significant increases, however, up 31% from 1986.

Maternity Wear (continued)

Monthly Pattern in Births, 1987

	Births	
	Number (thous.)	% of Total
Total	3,829	100.0%
January	308	8.1
February	287	7.5
March	328	8.6
April	298	7.8
May	323	8.4
June	319	8.3
July	334	8.7
August	345	9.0
September	340	8.9
October	321	8.4
November	314	8.2
December	312	8.1

Source: Based on U.S. Department of Health & Human Services: Monthly Vital Statistics Report

The current "echo" of the 1946-1964 baby boom, however slight, is expected to crest in 1988. We are still in a period of low fertility with the average American woman having only 1.9 children down from 3.6 in 1960. Only one out of every 14 women of child-bearing age will have a baby this year and the maternity market represents only 1.5% of the population.

On the other hand 38.6% of babies born in the year ending June 1987 were first-borns, requiring mothers to obtain maternity clothes for the first time. Women spend about $500 on maternity clothes and the potential market is estimated at $1 billion.

Some 200 manufacturers are now making clothes for the pregnant woman, up from about 33 in 1978 according to industry sources. Although the number of firms has grown, the market has only increased 8% during this time, however. A far wider variety of items is being offered, concentrating mainly on products for working women.

Dozens of retail maternity chains have also sprung up in the last five years, with an estimated 2,300 specialty stores and 12 direct mail catalogues. Many maternity experts foresee a shakeup as the rapidly-expanding maternity industry overtakes the slow moving birth rate. The major chains are the 315 unit Motherhood company and 220 unit Mothercare Stores Inc.. About half of Mothercare's U.S. sales come from infants and toddlers merchandise however.

Some 15 or more major department stores discontinued their maternity operations, as the department didn't generate sufficient volume. Although, in general, sales per square foot were higher than in misses departments.

Maternity Wear (continued)

One company, Pro-creations, rents tailored maternity suits and dresses for the women who doesn't want to spend $650 for a maternity outfit, but seeks to maintain a certain image. Half of all new mothers were in the labor force and women employed in managerial and professional positions accounted for 11.4% of total births in the year ending June 1987.

Special Sizes: Large

A study by Kurt Salmon Associates of consumer purchases indicates that the large-size apparel market represents an annual sales volume of approximately $7.5 billion at retail, almost 15% of total women's wear. Unit purchases of women's apparel in the 16-and-over size range have grown by 32% since 1982, compared with only 7% for purchases of all female apparel products.

In terms of retail distribution outlets, specialty stores are the leading channel and are much more important than the next strongest channels, national chain and department stores (when weighted according to their share of total women's apparel sales).

Whereas 45% of all women's apparel is purchased by customers over 45 years of age, 56% of all large-sized garments are bought by that age group.

Large-size apparel products are much more likely to be manufactured in the U.S. than abroad. According to KSA/NPD data, imports account for only 20% of large-size unit purchases. This suggests that domestic manufacturers are doing a better job of determining the needs of this market and translating them into specialized, smaller programs served by their own facilities in the U.S.

Special Sizes: Petites

According to the National Center for Health Statistics, 67.8% of women age 18-74 are 5 foot 4 and under, representing 58 million female consumers. Yet only in the past few years have apparel manufacturers and retailers recognized the needs of the petite market in terms of fit and proportion. According to the trade sources, the bottom line in petites is 0.5 to 4.0 percentage points higher than misses in specialty stores.

Business in petites is extremely strong. Stores are forming in-store shops, offering petite catalogues and in-store events for the petite consumer. Top vendors are Anne Klein II, Ellen Tracy, Liz Claiborne and Leslie Fay. Best selling styles are chemise dresses in jersey, silk or rayon crepe with boxy jackets, and two piece dresses. For example, Leslie Fay's petites increased 33%, shipping $50 million at cost for the year ending late 1988.

CONSUMER EXPENDITURES

In order to collect a continuous flow of information on purchases by American consumers to be used in periodic revisions of the Consumer Price Index base, an on-going survey of a representative sample of consumers is conducted by the Census Bureau for the Bureau of Labor Statistics.

The Bureau of Economic Analysis, Department of Commerce, on the other hand, compiles figures on total personal consumption expenditures by major product classification. Drawing on the pattern in spending for specific types of women's wear reported by the BLS, and applying this formula plus trade data to BEA based spending totals results in the following estimates of expenditures for women's dresses. This covers the value at retail of merchandise reaching the consumer, including non-retail channels as well as retail outlets.

The BLS Consumer Expenditure Survey in 1986 included information on the average percent of households in the U.S. who purchased one or more of the specified women's wear items in any quarter of 1986, and the average amount spent per quarter.

Estimated Personal Consumption Expenditures: 1986

	Estimated Total		Quarterly Average	
	Bil. $	Percent	% of Consumer Units Purchasing	Amount Spent
Women's wear, total	$ 78.7	100.0%	59.0%	$168
Dresses	9.2	11.7	16.6	102

Source: Estimates based on Bureau of Economic Analysis and Bureau of Labor Statistics reports; trade sources.

BLS findings on the pattern in household spending by income group and by region are summarized in the following tables. Although households earning $40,000 or more represent only 20% of consumer units, nearly half of all dresses are purchased by members of these households.

Percent Distribution of Expenditures for Women's Dresses By Income Before Taxes, 1986

	Percent of Consumer Units By Income*	Percent of Dresses Purchases by Income Group
Total	100.0%	100.0%
$40,000 & Up	19.9	45.5
$30.000 - $39,999	12.6	12.9
$20,000 - $29,999	16.7	14.8
$15.000 - $19,999	10.2	7.6
$10,000 - $14,999	12.5	6.4
$ 5.000 - $ 9,999	15.9	7.5
Less than $5,000	12.2	5.4

* Roughly equivalent to U.S. households.

Source: U.S. Bureau of Labor Statistics: Consumer Expenditure Survey

CONSUMER EXPENDITURES

Households in the Northeast and West account for a disproportionate share of expenditures on dresses in relation to household counts. However, the largest percentage of spending on dresses was in the South (31.7%).

Percent Distribution of Expenditures for Women's Sportswear By Region, 1986

	Percent of Consumer Units*	Percent of Dress Purchases By Region
Total	100.0%	100.0%
Northeast	21.2	26.4
Midwest	25.2	21.0
South	34.0	31.7
West	19.6	21.0

* Roughly equivalent to U.S. households.

Source: U.S. Bureau of Labor Statistics: Consumer Expenditure Surveys

CONSUMER PRICE TRENDS

Reflecting increases in the price of imported apparel as well as in domestic products, retail prices for women's apparel were up 1.2% in the twelve months ended in August 1988 compared with a 4.0% increase for the overall Consumer Price Index over the same period. Women's dresses prices increased 3.6% during this period.

Consumer Price Indexes for Women's Apparel and Dresses 1986, 1987 Annual Average, Aug. 1987, 1988 (1982-84 = 100)

	August		Annual Average		
	Index	% Change 1988/87	1987	1986	% Change 1987/86
All items	119.0	+ 4.0	113.6	109.6	+ 3.6%
Apparel (not including footwear)	111.3	+ 2.8	109.6	104.7	+ 4.7
Women's apparel	110.1	+ 1.2	110.9	104.4	+ 6.2
Dresses	117.7	+ 3.6	116.6	105.0	+11.0

Source: U.S. Department of Labor, Bureau of Labor Statistics

RETAIL SALES BY PRODUCT

Dresses

According to a market projection made at the end of 1987 by Kurt Salmon Associates, women's dress consumption registered a unit gain of about 4% after a decline of about 5% in 1986. An increase of 3% in units is projected for 1988. This increase is believed to be the result of a new fashion emphasis by women, an increase in independent spending power and the growing popularity of natural fibers in moderate to better women's wear. Silk has been singled out by many fashion analysts as a growth area in dresses in the coming year.

Year-to-Year Percent Change in Purchases of Women's Dresses, 1984-1988
(% change in Units)

	Projected 1988/1987	Estimated 1987/1986	Actual 1986/85	Actual 1985/84
Women's wear, total	+ 3%	+ 3%	+ 3%	-0-
Dresses	+ 3	+ 4	- 5	- 5

Source: Kurt Salmon Associates/NPD Purchase Panel
Softgoods Outlook for 1988
(Based on KSA/NPD purchase panel)

According to an analysis of consumer purchases by MRCA Soft Goods Information Service, dollar sales in dresses increased by 6% in the first quarter of 1988. Dresses accounted for about 12% of the overall women's apparel market. 1987 sales grew 3.4% based on MRCA tracking studies.

The main thrust of the increase in dress sales is from younger customers who are purchasing better dresses. Working women have also been one of the major keys to the increase in dress sales. Dresses are favored over separates for greater ease of dressing and obtaining a total look, as well as offering a less costly alternative to separates. In addition, many career women are tiring of the look of tailored suits for office wear and are turning to dresses for both the office and social occasions.

One result of the excellent dress market is that fewer units were sold at discounted prices in 1987 than in 1986; 35% were sold at regular price in 1987 versus 33% in 1986.

In order to capture as many dress sales as possible, retailers are adjusting their merchandise mix. Many are now expanding the department to include assortments that are appropriate to various social occasions.

RETAIL SALES BY PRODUCT

Washable Service Apparel

The growth of employment which has centered mainly in the service sector has been a boon to the service apparel industry. The service apparel and uniform industry, (including men's and women's clothing) is estimated to be about $3 billion in 1988.

Fashion and style are now the buzzwords as far as work wear is concerned. Uniforms are taking on less of a protective role and much more of an image function. Corporations are increasingly interested in a more customized look which communicates something about the company. The introduction of fashion into career apparel over the past years has also played a major role in the buying habits of users. Manufacturers are redirecting their efforts to areas that require better service and quality where margins are better, such as "clean room" areas (where technological functions require employees to wear lint or static free garments) are another growth area.

A greater variety of fibers are being used, including more rayon, cotton and acrylic, and a greater variety of blends. More specialty fibers offer added characteristics, such as stretch and more comfort.

The outlook for career apparel remains bright in the coming years. Projections by the U.S. Bureau of Labor Statistics on occupation growth indicate that the service sector of the economy will remain the fastest growing segment through 2000. (Tailored uniform information is not separately reported by the Census Bureau, but is incorporated in reports on suits and coats, covered in the WOMEN'S SUITS, COATS, TAILORED CAREER WEAR-1987-FACT FILE.)

RETAIL SALES BY TYPE OF OUTLET

The U.S. Department of Commerce, Bureau of the Census compiles a census of retail trade every five years that covers retail outlets with one or more paid employees. The most recent census covered operations in 1982.

Apparel specialty stores accounted for the majority of dress sales (65.1%) that year. Of these, women's ready-to-wear specialty stores represented 56% of all dress sales volume. Department stores had a 34.9% share, despite representing only 10.9% of all establishments selling dresses in 1982.

Recent merger and acquisition activities among retailers is affecting the buying and merchandising of apparel, and new patterns are emerging. According to MRCA, discounters, off-price outlets and specialty stores each increased their dollar sales of apparel by about 8% during the first quarter of 1988, while department stores were flat.

Mail order has been showing increased strength in the distribution channel, rising from 3.6% of women's dress sales in 1985 to 5.1% in 1987, according to KSA/NPD. Sales of dresses are ranked second after suits in best selling women's classifications at Spiegel, the $1 billion direct mail company.

RETAIL SALES BY TYPE OF OUTLET

Specialty Stores

According to the 1982 census of retail trade sales of women's dresses in women's ready-to-wear stores with payroll amounted to $3.8 million. This figure represents 18.5% of total store sales. In family clothing stores, sales of dresses amounted to $540 million representing 4.0% of total store sales.

In the latest count on the number of women's ready to wear stores showed a total of 44,443 in operation in 1985, compared with 44,163 in 1982, according to the Census Bureau. Total sales in 1987 amounted to $28.2 billion, up 55% over the 1982 total.

The National Retail Merchants Association reported that sales of women's and misses' dresses registered median increases of 8.1% in specialty stores in 1986. Juniors' averaged a drop of 2.4%.

Merchandising & Operating Results of Dress Departments
In Specialty Stores With Sales Over $1 Million, 1986
(Median results)

	All Adult Female Apparel	Women's & Misses' Dresses	Juniors' Dresses
Number of reporting stores	19	17	12
Net sales, % change from last year	+ 2.5%	+ 8.1%	- 2.4%
Sales, % to total store	50.1	5.1	1.1
$ sales per sq. ft. of selling space (main or largest unit)	$234.0	$271.0	na
Cumulative markon, %	51.7%	52.3%	51.6%
Gross margin, % of net sales including cash discounts	41.4	40.3	39.3
Markdowns, % of net sales including employee discounts	23.7	28.9	32.1
Number of stock turns (times)	3.5	3.5	4.2
Advertising, % of net sales	2.4	3.5	na
Selling salaries, % of net sales	7.6	7.5	7.5

na not available

Source: National Retail Merchants Association:
Merchandising & Operating Results of 1986
(1987 Edition)

Department Stores

Department stores accounted for 34.9% of reported women's dress sales in retail outlets in 1982 according to the Census of Retail Trade. Better than six out of every ten department stores reported selling the category, with total sales amounting to $2.3 billion.

RETAIL SALES BY TYPE OF OUTLET

Department Stores (continued)

Total sales in department stores increased from $107.2 billion in 1982 to $151.7 billion in 1987, according to the Census Bureau. The number of department stores in operation in the U.S. totaled 10,294 in 1986, a 3% increase from 1982. Discount department stores have gained market share in the last 5 years, accounting for 45% of department stores total volume in 1987, up from 37.3% in 1982. National chains (Sears, Wards, Penney) accounted for 28% of total volume in 1982, declining to 24% in 1987. Conventional department stores comprised the remainder of 31% in 1987, down from 34.7% five years earlier. Total discount department store sales rose 10.7% in the first half of 1988, according to the Census Bureau. This compares with a 4.4% decline in total sales of national chain department stores, and a 2.5% rise in sales of conventional department stores.

Stores are concentrating on career seminars, and personal shopping services to capture a greater portion of working women's disposable incomes. One example is Clothes At Work, the in-store promotion at Bloomingdales.

There is an ongoing trend to spruce up long-overlooked dress areas. Stores, such as Macy's, are expanding departments, focusing on upscale merchandise such as better and evening dresses. For example, Macy's increased their dress department 33%, to 15,000 square feet. Petite dresses also comprise a larger segment of the floor, with the product mix following the lines of standard size dresses. Separate labeled areas and in-store shops for Leslie Fay, Liz Claiborne, St. Gillian, Anne Klein, and Albert Nipon are featured in these areas.

Merchandising & Operating Results of Dress Departments In Department Stores With Sales Over $2 Million, 1986
(Median results)

	All Adult Female Apparel	Women's & Misses' Dresses	Juniors' Dresses
Number of stores reporting	60	58	57
Net sales, % change from last year	+ 8.7%	+12.4%	+ 3.1%
Sales. % to total store	35.0	3.2	0.7
$ sales per sq. ft. of selling space (main or largest unit)	$129.0	$122.0	$104.0
Cumulative markon, %	52.5	52.4	52.8
Gross margin, % of net sales including cash discounts	43.5	39.7	41.6
Markdowns, % of net sales, including employee discounts	26.3	30.4	28.7
Number of stock turns (times)	3.4	3.6	4.2
Selling salaries, % of net sales	5.9	6.3	6.7
Advertising, % of net sales	2.4	2.5	2.4

Source: National Retail Merchants Association
Merchandising & Operating Results of 1986
(1987 Edition)

RETAIL SALES BY TYPE OF OUTLET

Department Stores (continued)

Merchandising & Operating Results of Dress Departments In Department Stores With Sales Over $100 Million, 1986

(Median results)

	All Adult Female Apparel	Women's Dresses	Misses' Dresses
Number of stores reporting	28	28	28
Net sales, % change from last year	+ 11.0[illegible]	+ 10.1%	+ 4.0%
Sales, % to total store	31.5	3.5	0.7
$ sales per sq. ft. of selling space (main or largest unit)	na	na	na
Cumulative markon, %	52.0%	52.2%	52.5%
Gross margin, % of net sales including cash discounts	43.3	39.8	42.4
Markdowns, % of net sales, including employee discounts	26.2	30.1	27.6
Number of stock turns (times)	3.7	3.6	4.2
Selling salaries, % of net sales	5.3	6.2	4.9
Advertising, % of net sales	3.3	3.4	2.7

na not available

Source: National Retail Merchants Association
Merchandising & Operating Results of 1986
(1987 edition)

RETAIL ADVERTISING TRENDS

At the consumer level, dresses are promoted most extensively in the spring months. March, April and May accounted for 34.1% of the total newspaper ad linage run on women's and misses' dresses, and almost 38% of the total on juniors' dresses, according to information compiled by the Advertising Checking Bureau for 1985. In addition, over half of all ad dollars are devoted to dresses priced at $75 or less.

Percent of Year's Total Retailers' Newspapers Ad Linage on Dresses Run Each Month, 1985

	Total	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Dresses:													
Women's & misses'	100.0%	4.8	7.9	12.4	9.3	12.4	7.8	5.7	8.5	9.2	8.1	7.1	6.8
Juniors'	100.0%	4.7	5.0	14.5	13.4	9.5	7.0	6.8	13.8	6.0	6.6	6.6	6.1

Source: Newspaper Advertising Bureau Planbook, 1987

RETAIL ADVERTISING TRENDS

Percent of Newspaper Ad Linage Done By Retailers By Price of Item Sold

	To $25.00	25.01-50.00	50.01-75.00	75.01-100.00	100.01-150.00	Over 150.00	Unpriced
Women's & Misses' Dresses	17.6%	20.9	14.1	11.4	9.6	10.8	15.1

Source: Advertising Checking Bureau, 1987

RETAIL TRENDS

Private Label

Stores are taking a stronger position in private label, in order to generate a quality product in their own fashion colors and styles. As branded merchandise is increasingly sold in numerous other outlets and at a discount by off-price retailers, private label gives the store opportunities to have a distinctive image. Improving gross profit margins and maintaining competitive prices through control of the timing of markdowns and sales are also dominant reasons for private label programs. Rising costs of imports and quota problems are expected to boost domestic manufacturing of private labels.

Participants in Kurt Salmon Associates consumer purchase studies listed 500 different private brand labels in the most recent survey, up from 250 in 1983.

Private label use varies among product categories and distribution channels. Among retail channels, off-price outlets target well-known brands. The traditional department and specialty stores, on the other hand, are seeking a balance between national brands and private brands. Several major department store groups have indicated that private label will soon account for 30% to as much as 50% of the apparel they sell. For example, at Macy's, private brands such as Charter Club, Morgan Taylor and Silk Studio account for a larger portion of the better dress business than at the moderate level where there is only Jennifer Moore. Roughly 30 to 35% on the dress floor is private label, up from 6% in 1981. Maternity dresses are also in the private label spotlight.

Although manufacturers lament that private label is taking a bite out of their own brands, many producers are cashing in on the trend by developing their own private label divisions. For instance, Adele Simpson, Inc., known for its pricey dresses, got into private label manufacturing about 4 years ago. Private label now accounts for about 7% of its business. Another dress house cashing in on private label is David Warren Enterprises which has expanded and upgraded its private label division, DW3.

RETAIL TRENDS

Licensing

In 1987, licensed apparel and accessories grew by half a billion dollars from the previous year, according to the Licensing Letter. Manufacturers this year have been inking deals to use a variety of established designer names or corporate logos, a strategy that will hopefully give them a needed edge when it comes to gaining recognition among brand names or in fighting retailers private label brands. These include Christian Dior bridal dresses, and Diane Von Furstenberg dresses, among others.

CONSUMER PURCHASE PATTERNS

The following information on purchases for women aged 14 years and older for the years 1987 and 1986 has been supplied by Kurt Salmon Associates and the NPD Group. The KSA/NPD Purchase Panel consists of 19,500 households reporting monthly on their purchases of apparel.

Dress purchases grew 16.6% in dollars, but only 4.3% in units, demonstrating the effect of higher prices in 1987. For the first 6 months of 1988, however, dollar purchases decreased 2.2% from the same period a year earlier. Unit purchases were down 6.8%.

Purchases of Women's Dresses

	1987	1986	% Change 1987/86	Jan-June 1988	Jan-June 1987	% Change Jan-June 1988/1987
Units (Mil.)	189.8	182.0	+ 4.3	95.0	101.9	- 6.8
Dollars (mil.)	$7,020.5	6,021.8	+ 16.6	3,559.0	3,637.2	- 2.2

Source: KSA/NPD Purchase Panel

Department, specialty and discount stores remain the leading outlets for women's dress purchases, but mail order and other categories have been gaining market share.

Purchases of Women's Dresses By Outlet
Percent Units, 1986, 1987

	Units		Dollars	
	1987	1986	1987	1986
Total	100%	100%	100%	100%
Department Stores	24.0	24.5	29.2	29.0
Mass Merchandisers*	17.9	16.3	13.2	11.8
Discount Stores**	21.0	21.1	12.4	12.6
Specialty Stores	26.1	28.9	35.0	38.6
Mail Order	6.1	5.9	5.1	5.0
All Other Outlets	4.8	3.3	5.1	3.0

* Includes Sears/Penney/Ward/K-Mart
**Includes K-Mart/Other discount/Off-price/Variety

Source: KSA/NPD Purchase Panel

CONSUMER PURCHASE PATTERNS

More than half of all reported dress purchases by consumers were priced under $30. However, in 1986 58.1% of purchases were for less than $30, dropping to 53.7% in 1987. Over 48% of dollar purchases were made at sale prices, a 12.1% increase from 1986.

Purchases of Women's Dresses By Price Point
Percent of Units, 1986, 1987

Year	Total	Less Than $20.00	$20- $29.99	$30- $39.99	$40 - $49.99	$50 - $59.99	$60 & Over
1987	100%	32.4	21.3	15.8	8.4	5.8	16.3
1986	100%	35.6	22.5	14.5	8.3	5.2	13.9

Source: KSA/NPD Purchase Panel

Although polyester dominates as the primary fiber used in dresses, its use decreased in 1987, as demand rose for more natural fibers such as cotton.

Purchases of Women's Dresses By Fiber Content

	Percent Dozen Units	
	1987	1986
Total	100.0%	100.0%
Polyester dominant	62.1	69.1
100% Polyester	34.4	35.8
Polyester/cotton	21.6	26.2
Other Polyester	6.1	7.1
Cotton dominant	19.2	11.7
100% cotton	17.0	10.5
Other cotton blends	2.2	1.2
Rayon dominant	6.7	3.9
Acrylic dominant	3.4	3.0
All other fibers	8.6	12.3

Source: KSA/NPD Purchase Panel

Seventeen Magazine conducted a survey of their readers representing a cross section of the female market age 13 to 21, in June 1987. 1,236 returns were processed, representing a completion rate of 61.8%.

Average Expenditures on Dresses
By Seventeen Readers*

Amount	Percent
$75 or more	13.0%
$50 - $74	19.1
$40 - $49	21.8
$30 - $39	24.0
$20 - $29	15.9
Less than $20	6.2
	100.0%
Average	$46

* Of those purchasing the item

Source: Seventeen Retail Survey, 1987

CONSUMER PURCHASE PATTERNS

Over 38% of Seventeen readers bought a prom dress and 24.3% planned to buy one in the near future. Over one-third of the girls who bought a prom dress, and over half of the girls who planned to purchase one, selected Gunne Sax as the brand to buy. Department stores were the top choice for purchases of this item.

Average Expenditures on Prom Dresses
By Seventeen Readers*

Amount	Percent
$176 or more	20.4%
$131 - $175	19.2
$ 91 - $130	42.2
$ 90 or less	18.2
	100.0%
Average	$129

* Of those purchasing the item

Source: Seventeen Retail Survey, 1987

Brides

Based on 1,414 responses to a survey of their readers conducted in April 1986, Bride's Magazine determined that 95% have formal weddings. More ceremonies took place in the afternoon (60%) than in the evening (26%), or morning (14%).

In addition to a maid of honor and a best man, Brides magazine readers had an average of four bridesmaids and four ushers. 69% buy their dresses from a bridal boutique rather than a department or specialty store. The average amount spent for the dress is $519, plus $125 for the headpiece/veil, for a total of $644.

The large majority of maids of honor and bridesmaids wear floor length dresses. Half are pastel, 48% another solid color, while only 3% wear white or ivory. 63% of the attendants' dresses are acquired at a bridal boutique, 17% at a department or specialty store. 4 out of 10 buy attendant dresses at the same place as the wedding gown. The average amount spent is $107 per dress.

Color choices for mother of the bride dresses are almost identical to those of the bridal attendants, with an average cost of $157.

Brides (continued)

Cost of Wedding Dresses Purchased By Bride's Magazine Readers

Amount Spent	Percent
Less than $300	21%
$300 - $349	10
$350 - $399	12
$400 - $499	15
$500 - $599	12
$600 - $699	9
$700 - $999	13
$1,000 or more	8
	100%
Median Amount Spent	$446
Average Amount Spent	$519

Cost of Headpiece/Veil Purchased By Bride's Magazine Readers

Amount Spent	Percent
Less than $50	12%
$50 - $74	13
$75 - $99	14
$100 - $124	20
$125 - $149	12
$150 - $199	16
$200 or more	13
	100%
Median Amount Spent	$114
Average Amount Spent	$125

Source: Bride's Magazine Survey, April, 1986

SCHEDULE OF ADDITIONAL FACT FILES

THE CHILDREN'S MARKET: INFANTS', TODDLERS', GIRLS' AND BOYS' (APPAREL, PLAYTHINGS & RELATED PRODUCTS): Includes a detailed statistical profile of the U.S. industry, i.e. number and size of manufacturers, production and shipments, employment trends and more. Also details imports and exports by product. At the retail level, this Fact File covers sales estimates, information on leading outlet types and on consumer price trends. The size of the growing potential market in terms of population counts and birth projections is outlined as well as consumer preferences and buying patterns in the consumer market.

CONSUMER MARKET DEVELOPMENTS (1988 Edition): Provides an overview of all facets of consumer market growth, including population size, age distribution, educational levels, employment by occupation groups, earnings. Development of specific market segments are analyzed which are shaped by changes in income levels, living arrangements working women, marriage and birth trends, and fast-changing economic developments.

DEPARTMENT STORE AND SPECIALTY STORE SALES (1988 Edition): Updates 1987 edition reports on department and specialty stores (number and sales) at the buying headquarter level, with information on branch stores where available. Data is organized for headquarter operations listed by city within the four major geographical regions of the U.S. Additional features: an alphabetical listing of major national chains in the general merchandise and apparel store classifications with the latest sales figures; a list of top traditional department store operations ranked by sales, covering store operations with a volume of $50 million or more in 1987; a list of conglomerates operating traditional department and apparel specialty stores, with the names and headquarter locations of these stores.

DRESSES, DRESS DEPARTMENTS, WASHABLE SERVICE APPAREL (WOMEN'S, MISSES', JUNIORS'): Includes trends in the U.S. industry, such as number of manufacturers, production, shipments; information on imports and their market penetration. Estimates are included on retail sales, as well as information on consumer spending patterns, and the growing importance of the service industries requiring washable service apparel.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported.

FOOTWEAR (MEN'S, WOMEN'S, BOYS', GIRLS'): A statistical analysis of the U. S. footwear industry and on imports, including import penetration by type of footwear, changes in sourcing patterns, etc. Also includes information at consumer spending patterns, retail sales by outlet type, operating ratios in footwear departments, consumer buying patterns.

HOME TEXTILES & RELATED PRODUCTS: Covers information on manufacturers in the industry, and developments resulting from consolidations, the quantity and value of U.S. production, foreign trade, total market supply. At the retail level, the report includes information on household spending, price trends and consumer buying habits. Included in this Fact File are facts on linens and domestics, as well as window coverings and related hardware, and bath shop items.

HOSIERY/LEGWEAR (MEN'S, WOMEN'S, BOYS' GIRLS'): A comprehensive report on these industries at the mill, retailer and consumer levels. Included are details on production and shipments, retail sales by type of outlet, patterns in consumer spending.

HOUSEHOLD FURNITURE AND BEDDING (Mattresses, Dual-Purpose Sleep Furniture, etc.): Reviews important market trends and provides an overview of important statistics at the manufacturing, retailing and consumer levels relating to furniture and bedding. Included is information on the number of manufacturers, the quantity and value of shipments, employment and earnings, and industry concentration levels. Retail data includes information on furniture store sales, the leading furniture stores and the leading department stores in furniture volume; trends in consumer spending for furniture and price level changes.

MEN'S FURNISHINGS AND WORK/CAREER APPAREL: Provides a summary of major market trends in men's shirts, (dress and sport), underwear, nightwear, robes, hosiery and headwear, as well as the growing market for work/career apparel. These products are covered at the U.S. industry level, including production and shipments, employment trends and manufacturer concentration levels. Imports are detailed by product in terms of quantity and value, as well as exports. Data at the retail level includes sales and operating results in men's furnishings in department and specialty stores.

MEN'S SPORTSWEAR, CASUAL WEAR, OUTERWEAR: The wide variety of men's wear items included in this broad category are covered; including available information on the industry and markets at the manufacturer, retailer and consumer levels. It covers information on production and shipments by U.S. producers, imports and exports, as well as estimates on retail sales and information on consumer buying practices.

MEN'S TAILORED CLOTHING/SEPARATES; RAINWEAR: Covers information on the fast-growing category, tailored (but unstructured) separates for men, as well as suits, jaçkets and coats made in the men's clothing industry, plus rainwear. U.S. industry data includes trends in the number of manufacturers, production and value of shipments, location of the industry and employment trends. Foreign trade is examined, including export and import developments. The U.S. consumer market is defined in terms of number in the population by age and by population groups. A look is taken at the Young Men's market and merchandising practices of stores to reach this market.

RETAILING/MERCHANDISING TRENDS: Covers the dramatic changes underway in the operations, of the large retailing organizations, such as the decentralization of operations beyond traditional geographic boundaries and diversification of operations to include store types differing from the primary business. Also covered are developments in brand name merchandising, store labels, designer labels, licensing and off-price retailing. (Latest edition available 1984).

SALES OF MAJOR CLASSIFICATIONS OF CONSUMER GOODS BY RETAIL OUTLET TYPE: Covers sales of grocery products, drugs, apparel, footwear, sporting goods, home furnishings and other product lines by major type of retail outlet. The sales are detailed, and trends analyzed on market shares held by major outlet types based on the latest complete Census of Retail Trade. (Latest edition available 1986.)

THE SPORTS/FITNESS/LEISURE MARKETS: Covers the market for products designed for the active sports participant, as well as athleisure activities and active apparel. Covers growth trends in specific sports and related products, including footwear and apparel, and developments in the fitness market.

SPORTSWEAR, CASUAL WEAR, SEPARATES (WOMEN'S, MISSES' AND JUNIORS'): A statistical view of the products included in this classification at the manufacturing and retailing level. Includes information on production, shipments, foreign trade, a well as estimates on consumer spending and buying patterns and on market trends.

STATISTICAL ANALYSIS OF RETAILING (A Fact File Special Edition): A detailed statistical summary of retail trade in the U.S. based on findings in the 1982 Census of Retail Trade issued in 1985 by the U.S. Census Bureau. Percentage distributions have been calculated for firms and outlet types, including single and multi-unit operations, sales concentration and geographical distribution, with comparisons with 1977 census findings where possible. (Latest edition available 1985).

THE TEXTILE/APPAREL INDUSTRIES: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed.

TOILETRIES, COSMETICS, FRAGRANCES: A detailed view of the U.S. industry covering products for both the female and male markets. Includes latest available industry statitistics, at the manufacturing and retail levels. The quantity and value of manufacturers' shipments, leading manufacturers, advertising expenditures are covered, as well as information on retail sales by product, consumer buying habits and price trends.

WOMEN'S COATS, SUITS, TAILORED CAREER WEAR, RAINWEAR, AND FURS: Data for the domestic industry includes the number of manufacturers, industry concentration levels, trends in employment and earnings, production and value of shipments, including exports. Import trends and impact on U.S. market supply are analyzed. At the retail level, information includes consumer price trends, the size of the potential market and outlook for growth in terms of population by age group and employment trends among women.

WOMEN'S INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices.

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Department Stores and Apparel Specialty Store Sales

FAIRCHILD FACT FILE

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TABLE OF CONTENTS

Section I: A current list and sales information covering the major companies in general merchandise/apparel retailing, their divisions and affiliations.

Section II: Store divisions and independents with major positions in general merchandise/apparel retailing, listed by buying headquarter location in four geographic regions, then by state and city with sales information and number of stores operated by the specified headquarter store. (The list covers those operations for which sales data was available at time of compilation.)

Note: Current sales estimates-reflecting operations for the year 1987 with 1988 updates where available-are from published reports issued by companies or are estimates from trade sources believed to be reliable. Because of changes in the composition of companies as well as possible revisions in estimated sales data, year-to-year comparisons with information in previous Fact Files should be made with caution.

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E. B. Gold, Manager
Fairchild Book Division

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Section I

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS
(CONGLOMERATES, NATIONAL CHAINS)

The following companies have major positions in general merchandise/apparel retailing, operating stores, in many cases through a number of divisions or subsidiaries and stores under various names. Many are also engaged in other retail and/or non-retail activities, which may be reflected in the total sales volume reported for these companies.

The sales figures are the latest available, covering most recent annual fiscal periods or trade estimates for the year 1987. Available information on specific divisions or stores operated by these companies, as well as independents on smaller operations will be found in Section II, listing stores by buying headquarter location.

While sales figures generally reflect 1987 results, the changes in ownership, divestitures, etc., which started in a big way in 1987, continued in 1988. Where possible the changes that have occurred this year, as of November 1988, are noted. (Details on 1987 changes were reported in the 1987 edition of this Fact File.)

Company	Latest Available Annual Sales (Mil.$)
Amcena Corp., New York, NY (800+ stores in U.S. and Canada)	not available
Retailing operations include:	
Steinbach's (Howland Steinbach), White Plains, NY (29 stores)	$ 195
JByron's, Miami, FL (55) stores	235
Also operates Maurice's, Duluth, MN--a women's specialty chain; EMS (Eastern Mountain Sports) and The Lodge at Harvard Square chains.	
Ames Department Stores, Rocky Hill, CT (488 stores)	2,027.2
Operates 348 self-service discount department stores and 161 variety stores under the Ames, Murphy's Mart and G.C. Murphy names in 20 states; also wholesale distribution of sporting goods as of Oct. 1988. In November 1988, Ames completed the purchase of the 392-unit Zayre Corp. discount division, bringing Ames' total sales volume to an estimated $5.5 billion.	
Amfac, Inc., San Francisco, CA (Retail operations: 39 Liberty House stores; including department stores (9) and resort shops (30), based in Hawaii)	283.5
C.R. Anthony, Oklahoma City, OK (C.R. Anthony Holding Co./Citicorp Venture Capital Ltd.) (247 general merchandise stores)	416
BATUS, Inc., Louisville, KY (B.A.T. Industries PLC, London)	
Retail Division (169 stores: 49 department stores, 120 specialty stores)	2,568.6
U.S. operations include:	
Saks Fifth Avenue, New York, NY (44 fashion specialty stores)	275
Marshall Field, Chicago, IL. (25 department stores)	985
(Milwaukee store due to be sold to H.C. Prange.)	

(continued)

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS)

(continued)

	Latest Available Annual Sales (Mil.$)
BATUS, Inc. (continued)	
Ivey's (consolidated of North and South Carolina stores plus Florida division), Charlotte, NC (24 dept. stores)	$ 275
Thimbles, New York, NY (57 women's spec. stores) (To be sold to H.C. Prange Co., Sheboygan, WI)	
Bates also operates Breuners (John Breuner Co.) San Ramon, CA (17 home furnishings stores and 40 furniture rental stores)	
Belk Stores Services Inc. (348 Belk and Liggett dept. stores in 16 states)	1,810
Benetton USA, Inc., New York, NY (693 U.S. stores affiliated but independent operator-owned)	800
Burlington Coat Factory, Burlington, NJ (107 women's spec. stores in 32 states)	490.6
Campeau Corp., Toronto, Ont., Canada (487 dept. stores, supermarkets and spec. stores in the U.S. which are operated through two subsidiaries):	3,530
Allied Stores Corp., Cincinnati, OH (An indirect, wholly-owned subsidiary of Campeau as of October 1986. Sales in the 13 months ending January 1988	3,263
Allied stores operations as of December 1988:	
Bon Marche (The Bon), Seattle, WA (40 dept. stores in the Northwest)	(SEE INDIVIDUAL STORE LISTINGS Section II)
Jordan Marsh, Boston, MA (25 dept. stores in New England including 6 former Read's, Bridgeport, CT stores which were merged with JM in 1987)	
Maas Brothers, Tampa, FL (38 stores including 17 Jordan Marsh Florida stores which were merged with Maas in 1987)	
Stern's, Paramus, NJ (27 stores in NJ, NY)	
Sold By Allied Stores in 1988:	
Ann Taylor, New York, NY (119 women's spec. stores) A definitive agreement was reached in Nov. 1988 to sell Ann Taylor to an investment group.	
Brooks Bros., New York, NY (57 apparel spec. stores sold to Marks & Spencer PLC, London, England)	
Federated Department Stores, Inc., Cincinnati, OH (Operated 675 owned and leased stores, including 238 dept. stores, 76 mass merchandisers (Gold Circle), 129 supermarkets, 232 specialty stores in fiscal year ending Jan. 1988)	11,117.8
Department store sales (238)	7,290.8
Specialty stores (232)	597.8
Mass merchandisers (76)	978
Supermarkets (129)	2,251.2

Federated was acquired by Campeau Corp. in April 1988 and merged with an affiliate. Campeau owns 92.5%, Edward J. DeBartolo Corp. owns 7.5%. As of November 1988, Federated operated five dept. store divisions with annual sales totaling about $4.0 billion:

(continued)

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS
(CONGLOMERATES, NATIONAL CHAINS)
(continued)

Latest Available
Annual Sales (Mil.$)

Campeau Corp., Federated Dept. Stores division (continued) (SEE INDIVIDUAL STORE LISTINGS Section II)

- Abraham & Strauss, Brooklyn, NY (15 dept. stores in NY and NJ) (Will open at A&S Plaza, 33rd St. NYC in 1989.)
- Bloomingdale's, New York, NY (17 dept. stores on the East Coast and in TX)
- Burdine's, Miami, FL (29 dept. stores in FL)
- Lazarus, Cincinnati, OH (44 dept. stores in OH, IN, KY, WV)
- Rich's/Goldsmith's, Atlanta, GA (26 dept. stores in GA SC, AL, TN) (6 Rich's and 20 Memphis-based Goldsmith's were integrated in 1988.)

Federated sold the following in 1988:

- Bullock's and Bullocks' Wilshire, Los Angeles, CA--sold to R.H. Macy & Co., Inc., New York.
- I. Magnin, San Francisco, CA--sold to R.H. Macy & Co., Inc.
- Filene's, Boston, MA--sold to May Department Stores Co., St. Louis, MO
- Filene's Basement, Wellesley, MA--sold to a management group.
- Foley's, Houston, TX--sold to May Department Stores Co., St. Louis, MO
- MainStreet, Chicago, IL--sold to Kohl's Dept. Stores, Milwaukee, WI
- The Children's Place and its Accessory Place Div., (28 stores) Pine Brook, NJ--sold to TCP Acquisition Corp.,--which will in turn sell Accessory Place to a group led by Tribeca Holding Corp.
- Gold Circle Discount Stores, Worthington, OH--sold to Kimco Development Corp., Roslyn, LI, NY, which plans to sell 31 stores to the Target Stores Div. of Dayton Hudson, lease 35 units to Hills Department Stores, Canton, MA and two OH units to Kmart.

  Gold Circle (including former Richway Stores) had 76 outlets in 1987 with a total volume of $977 million.

Federated plans to sell:

- Ralph's, Los Angeles, CA (129 Giant stores and other supermarkets plus manufacturing and distribution facilities.)

Carson Pirie Scott, Chicago, IL

Major restructuring and reorganization, focused on eliminating nonretail operations, got underway in 1987 and has continued in 1988. 15 Donaldson's Department Stores, Minneapolis, MN were acquired in Nov. 1987 from Allied Stores. They had an annual volume of about $175 million.

- Carson Pirie Scott, Chicago, IL (19 dept. stores in IL and IN)
- Donaldson's, Minneapolis, MN (15 stores. To be integrated into CPS, Chicago)
- County Seat Stores, Inc. (338 apparel specialty stores in 35 states)
- Also operates 21 Arcadia Shops, Inc., which sell novelty stationery, etc., and CPS Direct Marketing, Phoenix, AR

Section I

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS)

(continued)

	Latest Available Annual Sales (Mil.$)
Carter Hawley Hale, Los Angeles, CA (112 dept. stores operating in five divisions after restructuring in 1987 when the specialty stores were separated from CHH to be operated within the Neiman Marcus Group)	
Sales fiscal year ending July 1988:	$2,617.1
(Sales were projected to grow to $2,708 million in 1988.)	
Carter Hawly Hale Divisions:	
The Broadway--Southern California, Los Angeles, CA (43 stores)	1,090
The Broadway-Southwest, Mesa, AR (11 stores as of Aug. 1988)	210
Weinstock's, Sacramento, CA (12 stores)	240
Emporium Capwell, San Francisco, CA (22 stores)	714
Thalhimers, Richmond, VA (24 stores)	363
Charming Shoppes, Bensalem, PA (840 spec. stores including Fashion Bug and Fashion Bug Plus stores in 33 states)	638.6
Claire's Stores Inc., Miami, FL (555 women's spec. stores in 47 states under the name Clair's Boutique and Dara Michelle)	103.4
Clothestime, Inc., Anaheim, CA. (338 women's wear stores in 18 states, primarily in CA)	178.7
Conston Corp. (Conston Holding Co.), Philadelphia, PA (349 women's and children's wear stores under various names)	187.0
C & R Clothiers Inc., Culver City, CA	82.3
CWT Specialty Stores Inc., South Attelboro, MA (55 spec. stores	111.6
Crown American Corp., Johnstown, PA	
Hess's Department Stores, Inc. Allentown, PA	516.6
A subsidiary which operates 71 stores including:	
Hess's Department Stores, Allentown, PA (46 stores)	396.4
Miller's, Knoxville, TN (12 stores acquired in June 1987 from Allied Stores)	77.6
Snyder's, Inc. Louisville, KY (13 stores acquired in October from Allied)	42.6
(All stores renamed Hess's in 1988)	
Dayton Hudson Corp., Minneapolis, MN (577 stores)	10,677.3
Dayton Hudson Department Stores Co., Minneapolis, MN operated as Dayton's and Hudson's (37 stores)	1,552.3
Target Stores, Minneapolis, MN (317 stores incl. Gold Circle/ Richway)	5,306.1
Lechmere specialty stores, Cambridge, MA (24)	636.3
Mervyn's, Hayward, CA (199 dept. stores)	3,182.6
Mervyn's bought three, The Denver Stores, from May Co. in 1987. Plans to open 21 stores.	
Deb Shops, Philadelphia, PA (273 spec. stores)	189

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS)

(continued)

	Latest Available Annual Sales (Mil.$)
Dillard Department Stores, Inc., Little Rock, AK (end of 1987: 135 stores in 11 states: TX 55, MO 18, NM 18, OK 15, AZ 10, AK 8, KS 8, TN 7, LA 6, NM 18, NV 3, IL 1)	$2,206.3
Stores are operated through six divisions: (159 stores as of Nov. 1988) Arkansas Division, Little Rock, AK (31 stores) Phoenix Division, Tempe, AZ (22 stores) Ft. Worth Division, Ft. Worth, TX (45 stores) San Antonio Division, San Antonio, TX (34 stores) St. Louis Division, St. Louis, MO (32 stores) Higbee's Division, Cleveland, OH (12 stores) Higbee was acquired in Feb. 1988 in a joint venture with the Edward J. DeBartolo Corp. from Brierly Investments Ltd., New Zealand. Stores are to be operated under the Higbee name for the first year.	(SEE INDIVIDUAL STORE LISTINGS Section II)
The following acquisitions were made by Dillard in 1987: Cain Sloan, Nashville, TN--4 stores purchased from Allied Stores. Downtown store was closed. Joske's, Dallas, TX--27 stores purchased from Allied. Of these 13 stores were sold, or liquidated. Dillard scheduled a total of 7 new stores to be opened in 1988: TX 4, IA 1, NE 1. Total sales for year 1988 were expected to reach $2,588 million.	
Dollar General Corp., Scottsville, KY (1,302 stores plus wholesale operation)	588.4
Dress Barn Inc., Stamford, CT (352 women's spec. stores in 27 states) (Dress Barn is negotiating the purchase of the 45-unit Clothes Works from Jack Winter)	205.0
The Dunlap Co., Fort Worth, TX (33 junior dept. stores operating under various names: Dunlaps, Vandevers, Eibands, The White House, Stripling & Cox, Hirsch, Lintz)	130.0
Dylex Ltd., Toronto, Ont., Canada. Retail sales, Canada and U.S.:	1,228.1
Part owner, U.S. stores:	
Brook's Fashion Stores, New York (866 stores)	445
Foxmoor, New York (607 stores)	250
Edison Brothers Stores, Inc., St. Louis, MO (2,514 apparel spec. and shoe stores)	931.0
Apparel specialty store division (1,085 stores) Includes J. Riggings men's wear chain acquried from U.S. Shoe in 1987.	399.0
Elder-Beerman Stores Corp., Dayton, OH (29 dept. stores, 88 Margo's spec. stores, Dallas, TX, plus shoe stores (120), and furniture showrooms (2)	not reported

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS) (continued)

	Latest Available Annual Sales (Mil.$)
Evans, Inc., Chicago, IL (27 fur specialty stores plus leased departments in 12 department stores)	$ 147.8
Family Dollar Stores, Inc., Charlotte, NC (1,272 discount variety stores in 24 states)	560.3
The GAP, San Bruno, CA (815 Stores) Operates 681 The Gap stores, 39 Gap Kids, 92 Banana Republics. 3 Hemisphere stores carrying sportswear for men and women were opened in 1987.	1,062
General Mills, Inc., Minneapolis, MN Specialty store/mail order operations: Eddie Bauer Inc., Redmond, WA (sold in 1988 to Spiegel, Inc., Oakbrook, IL)	
Retail stores (58)	107.5
Catalog sales	77.3
The Talbots Inc., Hingham, MA (sold in 1988 to Jusco Co. Ltd., Japan) 126 retail stores plus catalogs (137 stores in 1988)	338.4
Hartmarx, Chicago, IL	
Hartmarx Specialty Stores Inc. (HSSI), Chicago (233 stores)	420
Kuppenheimer, Atlanta, GA (104 stores)	165
Also operates 88 Country Miss stores under the Old Mill stores name and 15 Sansabelt Clothing Stores In Dec. 1988, Hartmarx signed a letter of intent to acquire Raleigh's (12 stores) from Garfinkel's, Washington, DC	
Heck's, Inc., Charleston, (120 discount dept. stores) Operating in Chapter 11 of U.S. Bankruptcy Code in 1987. Heck's will have 75 to 80 units with volume estimated at $300 million after selling 40 leased and owned stores.	287.4
Hills Department Stores, Canton, MA (SCOA) (151 discount dept. stores)	1,514.3
Hooker Corp. Ltd., New South Wales, Australia (Hooker Retail USA, New York) B. Altman, New York (6) Bonwit Teller, New York (12) Sakowitz, Houston, TX (4) Parisian, Birmingham, AL (15) (Purchased by Hooker and a group of major Parisian shareholders in April 1988. Hooker will acquire Frost Bros., San Antonio, and merge it with Sakowitz).	(SEE INDIVIDUAL STORE LISTINGS Section II)
Interco, Inc. St. Louis, MO (General Retail Merchandising Group operates 201 discount stores, junior dept. stores, specialty apparel stores plus hardware/lumber outlets)	532.2

Section I

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS)

(continued)

	Latest Available Annual Sales (Mil.$)
Jacobson Stores Inc., Jackson, MI (21 apparel and home-furnishings stores)	$ 326.7
Jamesway Corp., Secaucus, NJ (111 discount dept. stores)	701.4
Kmart Corp., Troy, NY (3,934 stores including specialty stores, leased apparel deptartments, book stores, drug stores as well as discount stores in Canada)	25,627
Kmart sold 76 Kresge and Jupiter stores to McCrory Corp. in 1987, and announced plans to open a Hypermarket in a joint venture with Bruno's, Birmingham, AL.	
Kmart stores (2,223)	22,140.0
Specialty retailing (includes 3 new divisions: warehouse/grocery operations; Payless Drug Stores Northwest; Walden Books)	3,487.0
The Limited, Inc., Columbus, OH (3,095 stores plus catalog sales)	3,527.9
Apparel mail order sales are reported at $275.3 million.	
Subsidiaries:	
Limited Stores (711 women's spec. stores)	1,000+
Lane Bryant (631 stores)	600+
Victoria's Secret (236 intimate apparel stores)	300
Lerner Woman (398 off-price special size apparel chain)	150
Limited Express, Inc. (348 popular-priced sportswear/accessories chain)	250
Brylane Inc. (Catalog retailer of women's special-size wear)	not available
Lerner Stores Corp. (770 women's spec. stores)	625
Henri Bendel, New York (1 women's spec. store)	25+
Abercrombie & Fitch (acquistion of 25 A&F stores plus mail order business from Oshman's was completed January 1988)	49.2
R.H. Macy & Co., New York, NY (84 stores which were divided into three divisions in an April 1988 reorganization) (Latest fiscal year ending July 1988)	5,729
Divisions: (with 1987 sales estimates)	
Macy's Northeast (made up of the former New York Division with 21 stores and the New Jersey Division, formerly Bamberger's, 23 stores. Each group has annual sales estimated at about $1.5 billion.	3,000
Macy's Atlanta (formerly Davison's) (14 stores) (opened stores in Florida (1) and Texas (4) in 1988)	450
Macy's California, San Francisco	1,400
25 California Macy's dept. stores	
Acquisitions in 1988 from Federated Department Stores:	
Bullock's/Bullock's Wilshire, Los Angeles (29 dept. stores and three Bullock's Woman apparel spec. stores)	825
I. Magnin, San Francisco (25 spec. stores)	302

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS)

(continued)

	Latest Available Annual Sales (Mil.$)
May Department Stores Co., St. Louis, MO (Retail sales total)	$10,314
Deparment stores: 16 divisions with a total of 258 stores	6,205 (SEE INDIVIDUAL STORE LISTINGS Section II)
L.A. Ayres, Indianapolis, IN (18 stores)	
G. Fox, Hartford, CT (10)	
Goldwater's, Scottsdale, AR (9)	
Hahne's, Paramus, NJ (8)	
Famous Barr, St. Louis, MO (17)	
Hecht's, Washington, DC (23)	
Kaufmann's, Pittsburgh, PA (14)	
Lord & Taylor, New York, NY (46)	
May Co.-California, North Hollywood, CA (34 stores)	
May Co.-Cleveland, OH (9)	
May Co.-Florida, Jacksonville, FL (5) (Sold in 1988 to Maison Blanche/Goudchaux, Baton Rouge, LA)	
Meier & Frank, Portland, OR (8)	
O'Neil's, Akron, OH (8)	
Robinson's, Los Angeles, CA (24)	
Sibley's, Rochester, NY (11)	
May D&F, Denver, CO (14, including 3 former The Denver Stores)	
In 1988, May acquired Foley's, Cincinnati, OH, 38 dept. stores, and Filene's, Boston, MA (18 stores) from Federated Department Stores. May closed 15 department stores in 1987; 6 were replaced with new units. A total of 13 department stores were opened in 1987; 7 were planned in 1988, plus 240 specialty stores.	
Discount Stores Division of May Department Stores Co.:	2,710
Caldor's, Norwalk, CT (116)	1,502
Venture Stores, O'Fallon, MO (70)	1,208
Specialty Stores Division of May Department Stores Co.:	1,399
Volume Shoe Corp. (including Payless Shoe Source stores) (2,436 stores)	1,065
Loehmann's, Bronx, NY (77 in 26 states) (6 Loehmann's are to be opened in 1988) (In May of 1988, May Co., agreed to sell Loehmann's to Sefinco, Ltd., a Spanish-owned investgment group and the Sprout Group.)	334
May sold the Sycamore Specialty Store division (111 units) to a group of investors in 1987.	
McCrory Corp., subsidiary of Rapid-American Corp., New York, NY	
Operates 1,258 variety stores in 38 states and the District of Columbia under various names: McCrory, McLellan, H.L. Green, J.J. Newberry, T.G.& Y. and S.H. Kress.	1,481.0
U.S. McCrory Stores: Acquired 58 U.S. Kresge stores and 18 Jupiter stores from Kmart in 1987.	
Melville Corp., Harrison, NY	
Apparel specialty stores (1,106 stores)	2,003.8
Includes Marshall's Inc., Wakefield, MA (256 family clothing stores)	1,603
Chess King, New York, NY (553 men's wear stores)	255
Wilson's House of Suede, Los Angeles, CA (297)	146

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS)
(continued)

	Latest Available Annual Sales (Mil.$)
Mercantile Stores Company, Inc., Wilmington, DE (12 dept. store chains plus 17 free-standing beauty salons. Total of 79 stores)	$2,155.6 (SEE INDIVIDUAL STORE LISTINGS Section II)
Department stores:	
Bacon's, Louisville, KY (6 stores)	
Castner Knott Co., Nashville, TN (11)	
de Lendrecie's, Fargo, ND (1 store operated out of Hennessey's)	
Gayfers:	
Mobile, AL (12)	
Montgomery, AL (6)	
Glass Block, Duluth, MN (1 store operated out of Hennessey's)	
Hennessey's, Billings, MT (3)	
The Jones Store Co., Kansas City, MO (9)	
Joslins, Denver, CO (11)	
Lion, Toledo, OH (3)	
McAlpin's, Cincinnati, OH (Ohio operations: OH 6, KY 1; Kentucky operations: KY (2)	
Root's, Terre Haute, IN (1 operated out of Bacon's, Louisville, KY)	
J.B. White, Augusta, GA (6)	
Merry-Go-Round Enterprises, Towson, MD (432 women's spec. stores in 32 states and the District of Columbia)	255.2
Montgomery Ward (Sold by Mobil Corp. in 1988 in a leveraged buyout by management)	4,639
The catalog business has been dropped and the company is being restructured from general merchandising to spec. stores. 1987 operations included 316 retail stores, of which 94 were spec. stores, in 39 states. Also operated liquidation centers (23). Plans called for 22 stores to be added in 1988 and 50 dept. stores to be converted to spec. stores.	
Neiman-Marcus Group, Inc. Chestnut Hill, MA (Formed when spun off by Carter Hawley Hale Stores in company restructuring in 1987. General Cinema owns more than 61% of the Neiman Marcus Group.)	
Sales in fiscal year ending July 1988:	1,223.2
The Group includes:	
Neiman Marcus, Dallas, TX (22 stores)	926.2
Bergdorf Goodman, New York (1 store)	148.4
Contempo Casuals, Los Angeles (207 stores in 1987, 211 in 1988)	148.6

In 1988 the Neiman-Marcus Group completed the acquisition of Horchow Mail Order Inc., Dallas, TX, which had a volume of about $100 mil. from 50 million catalogs under four names: The Horchow Collection, Trifles, Grand Finale and SGF in 1987. Expected to be operated separately from the Neiman Marcus stores' catalog operations which generated about $68 million in 1987 sales. (Bergdorf Goodman's catalog sales were $15 million.)

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS)

(continued)

	Latest Available Annual Sales (Mil.$)
Nordstrom Inc., Seattle, WA (46 spec. stores, 10 clearance stores, 11 leased shoe departments in the West)	$1,920.2
Nordstrom opened its first East Coast store at Tysons Corner, VA in March 1988. It is expected to reach a volume of $100 million in its first year. The largest Nordstrom store was opened in San Francisco in Oct. 1988. This unit may reach a volume of $125 million to $150 million its first year. In Oct. 1989, Nordstrom will open a store in Pentagon City Fashion Center, VA. Total 1988 volume for Nordstrom is expected to reach $2,285 million.	
Paul Harris Stores Inc., Indianapolis, IN (347 spec. stores)	190.2
Operated 250 apparel spec. stores, 39 Clothes Out Junction stores, 58 Pasta sportswear stores	
J.C. Penney Co., Inc., Plano, TX (total sales including Penney stores, catalog centers, 407 drug stores, 52 Belgian stores plus inter-company transfers)	15,332
J.C. Penney stores (1,378)	13,428
Catalog Centers (1,837)	2,585
(In 1987 Penney acquired Stinu Corp. of America, which operated Units, a women's wear chain. Sales in 1988 were expected to reach $57 million.)	
Petrie Stores Corp., Secaucus, NJ (1,601 apparel spec. stores in 48 states operating under various names--including Petrie's, Marianne, Stuart's, G&G, Hartfield's, Winkelman's, Jean Nicole, Three Sisters, M.J. Carroll, Rave.)	1,241.5
Ross Stores, Newark, CA (121 spec. stores)	534
Schottenstein Stores Corp., Columbus, OH (Operates or invests in both retailing and manufacturing firms, and has a volume of about $1 billion. It has a 50% interest in Hutzler Bros., Baltimore, and was reported to be negotiating with Campeau for the purchase of 7 Stern's Philadelphia area stores. However, it appears that these stores are to be closed by Campeau.)	
Sears, Roebuck & Co., Chicago, IL (813 general merchandise stores plus specialized retail outlets, including surplus stores, business systems centers, paint/hardware stores, eye care centers. Operates 1,701 catalog sales centers.)	48,440
Also operates Pinstripes Petites, Inc., a 25 unit spec. chain acquired Dec. 1987 and Sears Merchandise Group (incl. $3.5 billion in catalog sales.	28,200
At the end of October 1988, plans for restructuring the Merchandise Group, aimed at offering national brands at lower prices, were announced.	

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS)

(continued)

	Latest Available Annual Sales (Mil.$)
Spiegel, Inc., Oakbrook, IL (The controlling stockholder is Otto-Persand, a German mail order house) Catalog sales:	$1,065.2
Acquisitions in 1988:	
Honeybee (20 spec. stores plus catalog) with sales totaling $33 million. Spiegel holds a 75% share of the company.	
Eddie Bauer, Inc., purchased from General Mills. To be operated as a separate company.	
1987 sales: 58 spec. stores: $107.5 million	
Catalogs: 77.3	
1988 sales are projected to $133.7 million through stores; 103.8 million through catalogs.	
Sprouse-Reitz Stores, Portland, OR (313 variety stores in 11 states)	218.6
Strawbridge & Clothier, Philadelphia, PA (34 dept. stores)	814.3
Strawbridge & Clothier stores (12)	450
Clover Discount Stores (22)	364.3
Stop & Shop Co., Inc., Boston, MA	
Bradlees' Department Store Co., Braintree, MA (162 stores)	2,100
In June 1988 the 58-unit Southern Division was put up for sale to raise funds to finance the leveraged buyout of Stop & Shop by Kohlberg, Kravis, Roberts & Co.	
Bradlees Southern Div. (VA 19 stores, MD 13, PA 11, NJ 8, DE 4, NC 3)	635
Syms, Secaucus, NJ (22 spec. stores)	256.8
TJX Companies, Inc., Framingham, MA (created as a separate company by Zayre Corp. in 1987. Zayre holds an 83% interest in TJX)	1,644.0
Operates T.J. Maxx, Hit or Miss and Chadwick's of Boston.	
Sales in the 12 months ending Oct. 1988 (See Zayre below).	1,820
Toys "R" Us, Inc., Rochelle Park, NJ	
Operates 86 Kids "R" Us off-price children's wear stores and plans to open 35 of these stores in 1988 with sales at $400 mil. Also operates The Boston Stores, NY (2) and The Fair, Flint, MI (2)	250+
Tribeca Holdings, Inc., New York. Owns Plymouth Shops and M.H. Lamston variety chain. Merged in 1987. Combined sales total:	125+
U.S. Shoe Corp., Cincinnati, OH (Parent company of spec. stores of various kinds, including apparel, shoes, eyewear. The company announced plans to restructure their operations in August 1988, and also has placed the company up for sale.)	
Women's spec. stores (1,751)	1,438.9
Casual Corner, Enfield, CT (the largest division) (737)	586
Ups 'N' Downs, Cincinnati, OH (830)	356
J. Riggings stores were sold in 1987 to Edison Brothers.	

I. MAJOR APPAREL/GENERAL MERCHANDISE RETAILER CORPORATIONS (CONGLOMERATES, NATIONAL CHAINS) (continued)

	Latest Available Annual Sales (Mil.$)
F.W. Woolworth Co., New York, NY	
U.S. operations:	
U.S. Woolworth, NY (1,140 stores)	$2,026
Richman Bros. (188 stores)	263
Little Folk/Kids Mart (15 stores)	145
Zayre Corp., Framingham, MA (382 discount stores, 485 women's wear stores, 265 discount apparel stores plus warehouse clubs, etc. in 1987)	6,186.5
Zayre Stores Division (fiscal year ended Jan. 30, 1988)	3,289.5
In November 1988 Ames Department Stores, Inc. completed the purchase of the 392-unit Zayre discount division, (which had a volume of $3.0 billion or more), with Zayre to be the largest shareholder (17.6%)	
Zayre also holds:	
Warehouse clubs (HomeClub and BJ's Wholesale Club units) 12 months ending Oct. 1988	1,540
83% interest in TJX Companies, Inc. (see above)	

On Dec. 5, 1988 Zayre announced plans to restructure, splitting the company into separate chains--one covering the warehouse clubs division, the second involving the acquiring of the minority (17%) shares of TJX companies. The Zayre name would be dropped.

Section II

This section covers major general merchandise/apparel retailers for which reasonably current sales figures are available--generally reflecting 1987 volume. Section I, as noted, covers corporate entities; Section II covers store divisions and independents listed at buying headquarter locations. These locations are organized by region, state, city. Plans for 1988 are also indicated for key stores.

NORTHEAST	Latest Available Annual Sales (Mil.$)
CONNECTICUT	
Enfield	
Casual Corner (U.S. Shoe Corp., Cincinnati, Ohio) (737 stores)	$ 586
Hartford	
G. Fox & Co. (May Dept. Stores Co., St. Louis, MO) (10 stores: CT 7, MA 1, NY 1, RI 1)	330
Sage Allen & Co. (14 jr. dept. stores owned by a management group as of 1987. Stores in CT 13, MA 1 plus 1 opened 1988)	84.7
Freeport	
L.L. Bean (mail order catalog business plus store at North Conway, MA; also manufacturing)	368
MASSACHUSETTS	
Boston Area	
Designs Inc., Chestnut Hill (48 spec. stores selling Levi Strauss apparel and accessories)	40.4
Filene's, Boston (sold in 1988 by Federated to May Dept. Stores, Co., St. Louis, MO) (18 stores in CO, MA, ME, NH, NY, RI)	410
Filene's Basement, Wellesley, MA (sold in 1988 by Federated to a management group) (22 stores in CT, MA, NJ, NY PA, RI)	278
Jordan Marsh (New England) (Allied Stores Corp., Cincinnati, OH (25 stores including Read's Dept. Stores, Bridgeport, CT--6 stores--which were merged with Jordan Marsh in 1987) The JM flagship store in Boston is to be reduced in size and renovated.	600

Pending settlement of construction problems, Allied Stores plans to open a store in Lafayette Place Mall, Boston.

Framingham	
T.J. Maxx (TJX Companies, Inc., Framingham, MA) (265 stores)	1,395
Hingham	
The Talbots (Sold in 1988 by General Mills, Minneapolis, MN to Jusco Ltd., Japan) (126 stores plus catalogs) Talbots plans to open a store on Madison Ave., NY which is to be its largest unit, and its 2nd store in NYC.	338.4
Wakefield	
Marshall's Inc. (Melville Corp., Harrison, NY) (256 family clothing stores)	1,603

Section II

NORTHEAST	Latest Available Annual Sales (Mil.$)
NEW JERSEY	
Burlington	
Burlington Coat Factory (107 women's spec. stores)	$ 490.6
Fairlawn	
NBO (Dylex Ltd., Toronto, Canada) (28 U.S. stores)	95
Newark	
Macy's New Jersey (consolidated by R.H. Macy Co. with Macy's New York to become Macy's Northeast, headquarterd in New York, in April 1988) 26 stores estimated 1987 sales:	1,500
Paramus	
Hahne's (May Dept. Stores Co., St. Louis, MO) (8 stores) Bridgewater Commons store to be opened in 1988.	148
Stern's (Allied Stores, Cincinatti, OH) (29 stores: NJ, NY, PA) The Yonkers Cross County Shopping Center store, on site of former Gimbels East, was opened April 1987. It is expected to have a volume of $60 million in 1988. The Roosevelt Field, NY store is expected to have a volume of $55 million. In October 1988, Allied announced plans to close 5 Stern's in the Philadelphia area. Plans for the Market East, Philadelphia and Voorhees, NJ stores were undecided.	500
Pine Brook	
The Children's Place (Federated Dept. Stores, Cincinnati, OH) In Nov. 1988 an agreement was reached to sell The Children's Place and the Accessory Place Div. to TCP Acquisition Corp. TCP expects to sell the Accessory Place Div. to a group led by Tribeca Holding Corp.)	
The Children's Place (161 stores)	153.1
Accessory Place Division	5.6
Secaucus	
Syms (22 spec. stores)	256.8
NEW YORK	
Buffalo	
Adam, Meldrum & Anderson (10 dept. stores in NY)	120.6
New York City Area	
Abraham & Straus, Brooklyn (Federated Dept. Stores, Cincinnati, OH) (14 dept. stores: NY 8, NJ 4, PA 2) A&S will open a store in Manhattan on the site of the former Gimbels store on 33rd Street in August 1989.	805
Alcott & Andrews (12 women's spec. stores in CA, CT, DC, GA, IL, MD, NJ, NY) (J.C. Penney purchased a 20% share of the company in Nov. 1987)	51.7

(continued)

NORTHEAST

NEW YORK

New York City Area (continued)

	Latest Available Annual Sales (Mil.$)
Alexander's Dept. Stores, Inc. (14 dept. stores in CT, NJ, NY) A 50% share of the company is owned by Donald J. Trump and Interstate Properties.	$ 522.9
White Plains store (sold in 1988 to W.P. Centre Associates)	15
Menlo Park Mall, Edison, NJ store sold in 1988 to Shopping Center Associates which then sold the lease to Nordstrom.	
B. Altman & Co. (Hooker Retail USA, New York) (6 dept. stores) The flagship store on Fifth Ave., NY has been renovated and the selling area reduced.	215
Ann Taylor (To be sold by Allied Stores Corp., Cincinnati, OH to an investment group according to an announcement in Nov. 1988) (119 women's spec. stores)	249.2
Barney's (1 men's wear store; 1 women's wear/linens shop) Plans to open 25-30 stores emphasizing women's wear thoroughout the US by 1994, at the rate of 5 a year.	100
Henri Bendel (The Limited Inc., Columbus, OH) (1 spec. store) Store to move to larger quarters on Fifth Avenue in 1988 and plans to open a Chicago store in 1989 have been announced.	25+
Bergdorf Goodman (Neiman Marcus Group, Chestnut Hill, MA) (1 spec. store)	148.4
Bloomingdale's (Federated Dept. Stores, Cincinnati, OH) (17 dept. stores plus a Home Store in Chestnut Hill, MA: Stores in CT, FL, MD, MA, NJ, NY, PA, TX, VA)	1,120
Bloomingdale's By Mail--a separate corporation	100

The 18th Bloomingdale's opened in Chicago in Sept. 1988. Sales are expected to reach $70 million in its first year. The 19th store will be opened in Fashion Mall of America, Bloomington, MN in the Spring of 1990. Airport gift shops --Bloomies Express--have also been opened.

Bonwit Teller (Hooker Retail, USA, New York) (12 spec. stores in FL, IL, MA, MI, MO, NJ, NY, PA). A store in Boston, MA was opened in Oct. 1988. It is expected to reach a volume of $15 million in its first year. A Richland Mall, Columbia SC store opened in 1988, is expected to reach $12 million in its first year. A 3rd 1988 store opening was in Forest Fair Mall, Cincinnati, OH. Bonwit Teller will open a store in Beverly Hills, CA in 1989 which is expected to do $20-$25 million in 2 years.	160

(continued)

NORTHEAST

NEW YORK

New York City Area (continued)

	Latest Available Annual Sales (Mil.$)
Brooks Brothers (Sold by Allied Stores Corp., Cincinnati, OH in 1988 to Marks & Spencer PLC, London England) (57 spec. stores) A San Diego, CA store was opened April 1988. Six additional stores in the US and 4 in Japan are planned.	$ 290
Brooks Fashion Stores (Dylex Ltd., Toronto, CAN) (866 stores)	445
Chess King, (Melville Corp., Harrison, NY) (553 men's wear stores)	255
Foxmoor, (Dylex, Ltd., Toronto, CANADA)	250
Honey Bee Inc. (owned 74.8% by Spiegel, Inc. Oakbrook, IL) (20 spec. stores plus catalog sales)	33.0
Lane Bryant (The Limited Inc., Columbus, OH) (631 women's spec. stores)	600+
Lerner Stores Corp. (The Limited Inc., Columbus, OH) (770 women's spec. stores)	625
Loehmann's, Bronx, NY (77 spec. stores in 26 states) In May 1988, May agreed to sell Loehmann's to Sefinco Ltd., an investment group owned by Spanish interests and the Sprout Group. (6 Loehmann's were to be opened in 1988.)	334
Lord & Taylor (May Dept. Stores Co., St. Louis, MO) (46 stores in CT, DC, FL, GA, IL, MA, MD, MI, NJ, NY, PA, TX, VA)	938
Chicago area (7 stores) Selling area in the New York flagship store was expanded in 1988. 1988 store openings: River Center, San Antonio, TX; Oak Count Mall, Memphis, TN	130
Macy's Northeast (R.H. Macy & Co., New York, NY) (A new division formed in April 1988 through a reorganization in which the New York Division's 21 stores and the New Jersey Division's 23 stores were consolidated. Each of the two groups had annual sales of about $1.5 million) The first of three planned Washington, DC area stores was opened August 1988 and may do up to $90 million in its first full year.	3,000
J.W. Mays Inc., Brooklyn, NY (3 NY dept. stores) The Union Square, NYC store is to be closed Feb. 1, 1989.	73.8
Saks Fifth Avenue (BATUS, Inc., Louisville, KY) (44 spec. stores in AZ, CA, CT, FL, GA, IL, LA, MA, MD, MI, MO, NV, NJ, NY, OH, PA, TX) Fifth Ave., NYC flagship store is being enlarged. A store in Tyson's II Mall, McLean, VA was opened Oct. 1988. An opening in Minneapolis, MN is planned for 1989.	1,055

(continued)

Section II

NORTHEAST	Latest Available Annual Sales (Mil.$)
NEW YORK	
Rochester	
McCurdy & Co. (7 dept. stores in NY)	$ 68.0
Sibley's (May Department Stores Co., St. Louis, MO) (11 dept. stores in NY after closing 3 in 1987)	171
Syracuse	
Dey's (4 stores)	36.5
White Plains	
Steinbach's (Howland Steinbach) (owned by Amcena Corp., New York, NY) (29 stores)	195
PENNSYLVANIA	
Allentown	
Hess's Department Stores, Inc. (Crown American Corp., Johnstown, PA) (71 stores in GA, MD, NY, OH, PA, TN, VA, WV)	516.4
Hess's operations include the 12-unit Miller's, Knoxville, TN, acquired in June 1987 from Allied Stores, which contributed $77.6 million to the year's total; also 13-unit Snyder's, Louisville, KY, acquired in October from Allied, which contributed $42.6 million. The Snyder chain included five former L.S. Ayres stores in KY, which were sold by May Dept. Stores in 1987. All Hess's acquired stores will be renamed Hess's in 1988. Hess will also open four stores: Blacksburg, VA; Schenectady and Syracuse, NY; Chattanooga, TN.	
Aston	
The Dry Goods Inc. (7 dept. stores in DE, NJ, PA)	110.0
Bensalem	
Charming Shoppes (840 spec. stores)	638.6
Harrisburg	
Pomeroy's (BonTon Dept. Stores, S. Grumbacher & Son Inc., York, PA) (11 stores)	120
In January 1987 the Harrisburg and Levittown, PA divisions of Pomeroy's were consolidated by the owner, Allied Stores. In June Allied agreed to sell its Pomeroy's Division--then 16 stores--to BonTon Department Stores, York, PA, a unit of S. Grumbacher & Son except for 4 stores which were sold to Boscov's and the Wilkes Barre store which was closed.	
Philadelphia	
Deb Shops Inc. (237 women's spec. stores)	189
Stern's (Stern's, Paramus, NJ) (7 Philadelphia area stores)	110
It was reported that Schottenstein Stores Corp., Columbus, OH was negotiating to purchase the 7 stores; however, Campeau currently plans to close 5 of the stores, and possibly the remaining two: Market East, Philadelphia and Voorhees, NJ.	

(continued)

NORTHEAST

PENNSYLVANIA

Philadelphia (continued)

	Latest Available Annual Sales (Mil.$)
Strawbridge & Clothier (12 dept. stores in DE, NJ, PA) Plans to close the Jenkintown, PA store and open a store in Willow Grove Park, PA in 1988.	$ 450
John Wanamaker (acquired in January 1987 by Woodward & Lothrop Co., Inc., Washington, DC from Carter Hawley Hale Stores, Inc.) (16 stores) The Philadelphia flagship store was sold, five floors leased back by Wanamaker. (Wanamaker had sold The Globe store, Scranton, PA, to a local investment company in 1987.)	411.1

Pittsburgh

Joseph Horne Co. (Maverick Fund I) (14 dept. stores: OH 3, PA 11)	230
Kaufmann's (May Department Stores Co., St. Louis, MO) (14 dept. stores: OH, PA, WV)	480

Reading

Boscov's Dept. Stores, Inc. (13 stores: DE 2, NY 1, PA 10) As noted above, Boscov acquired 4 Pomeroy's, (Harrisburg) stores in 1987 from BonTon and Allied Stores.	337

York

BonTon Dept. Stores (S. Grumbacher & Sons, Inc., York, PA) (25 dept. stores in MD, NY, OH, PA, WV operated under various names. Sales excluding Pomeroy's, Harrisburg, PA, 12 stores)	75

MIDWEST

ILLINOIS

Chicago Area

Carson Pirie Scott & Co. (Retail Group, incl. Arcadia Shops, catalogs)	950.4
Department stores: 19 plus 15 Donaldson's Department Stores, Minneapolis, MN acquired in Nov. 1987 from Allied Stores and integrated into Carson Pirie Scott, Chicago.	503.4
Country Seat Stores (338 casual wear stores in 38 states)	
Carson Pirie Scott plans to sell two stores (Decatur, IL and Normal, IL to Peterson-Harned-Von Maur, Davenport, IA and will close Cedar Falls, IA store--a former Donaldson's in December 1988.	265
Chas. A. Stevens Co. (24 spec. stores. Filed Chapter 11)	60

(continued)

MIDWEST

	Latest Available Annual Sales (Mil.$)
ILLINOIS	
Chicago Area (continued)	
Goldblatt's Dept. Stores Inc. (U.G. Industries, Inc., Chicago, IL) (10 stores: Chicago area 8, IN 2)	$ 45
MainStreet (Federated Dept. Stores, Cincinnati, OH) (20 stores in Chicago and Detroit areas) Sold by Federated in 1988 to Kohl's Dept. Stores, Milwaukee, WI	157
Marshall Field (BATUS Inc., Louisville, KY) (25 dept. stores: IL 15, TX 4, WI, 6)	985
Water Tower Place, Chicago store	80
Marshall Field will open a store in Columbus OH in March 1989, which is expected to have a volume of $25-$30 million in its first year. In January 1989, Marshall Field will sell 2 of its 4 Milwaukee stores to H.C. Prange, Green Bay, WI.	
Spurgeon Mercantile (83 stores in IA, IL, IN, MN, SD, WI)	73
Note: Bloomingdale's, New York, opened a store on Michigan Ave., Chicago, September 1988. The store is expected to do $70 million in sales in its first full year.	
Elgin	
Joseph C. Spiess Co. (5 dept. stores)	26
INDIANA	
Indianapolis	
L.S. Ayres (May Department Stores Co., St. Louis, MO) (18 dept. stores: IN 14, OH, 4) In 1987 May sold 5 L.S. Ayres stores to Snyders Inc., Louisville, KY. Before the sale was consumated, however, Hess's, Allentown, PA acquired Snyder's and Ayers and combined the two operations into Snyder's, Louisville, KY. 3 Ayres stores in Cincinnati, OH were closed in June 1988, then sold to J.C. Penney.	374
IOWA	
Davenport	
Petersen-Harned-Von Maur, Inc. (9 dept. stores: IA 8, IL 1)	50.0+
Des Moines	
Younkers Inc. (Equitable of Iowa Companies, Des Moines, IA) (37 dept. stores: IA 21, IL 2, NV 2, MN 1, SD 1) Acquired 11 J.L. Brandeis & Sons, Omaha stores in 1987.	291.7

Section II

MIDWEST	Latest Available Annual Sales (Mil.$)
MICHIGAN	
Detroit	
Crowley Milner & Co. (Oakland Holding Co.) (11 jr. dept. stores in MI)	$ 113.7
Jackson	
Jacobsons Stores, Inc. (22 dept. stores: FL, MI, OH)	325
Opened a store at The Crossing, Indianapolis, IN in August 1988. Expect a volume of $20 million in its first year.	
MINNESOTA	
Minneapolis	
Dayton Hudson Corp. Department Store Division (37 stores)	1,552.3
Donaldson's (See Carson Pirie Scott, Chicago) (15 stores) 1987 sales:	175
(Reported to have contributed $70 million to CPS volume after acquisition in 1987.)	
By Fall 1990 a suburban Fashion Mall of America, Bloomington, will be in operation, bringing five major stores to the Minneapolis area: Bloomingdale's, Carson Pirie Scott, Neiman Marcus, Nordstrom, Saks Fifth Avenue.	
MISSOURI	
Kansas City	
The Jones Store (Mercantile Stores, New York, NY) (9 stores in KS)	240
A second Topeka KS store was opened in Feb. 1988.	
St. Louis	
Dillard's-St. Louis Div. (Dillard Dept. Stores, Little Rock, AK) (32 stores: MO 22, KS 5, NB 4, IA 1)	438
Edison Apparel (Edison Bros. Stores, St. Louis, MO) (1,085 stores)	399
Famous-Barr (May Dept. Stores Co., St. Louis, MO) (17 stores in IL and MO)	496
St. Louis flagship store	60+
Lord & Taylor, New York, will open a store in St. Louis Galleria in 1991.	
OHIO	
Akron	
O'Neil's. (May Dept. Stores Co., St. Louis, MO) (8 Ohio stores)	177
To be merged into the May Co. Cleveland Division in Jan. 1989. Downtown Akron O'Neil's store will be closed at end of Jan. 1989.	

(continued)

MIDWEST	Latest Available Annual Sales (Mil.$)
OHIO (continued)	
Bowling Green	
Uhlman's (33 stores)	$ 47.7
Cincinnati	
Lazarus Dept. Stores (Federated Dept. Stores, Cincinnati, OH) (44 stores in IN, KY, MI, OH, WV)	945
In 1987 Lazarus acquired the following from Allied Stores: Block's, Indianapolis (10 stores) and Herpolsheimer, Grand Rapids, MI (2 stores). These were merged into the Lazarus operation. Three Indianapolis, IN stores were sold to Montgomery Ward. The combined volume of the Block's/Herpolsheimer stores was estimated at about $105 million in 1987.	
Ups 'N Downs (U.S. Shoe Corp., Cincinnati, OH) (830 stores)	586
Cleveland	
The Higbee Co. (The Higbee's Division, Dillard Stores) (12 stores)	312
Sold February 1988 by Brierly Investments Ltd., New Zealand, to Dillard Department Stores and Edward J. DeBartoli Corp. in a joint venture. To be operated under the Highbee name at least for one year.	
May Co.-Cleveland (May Department Stores, St. Louis, MO) (9 Ohio stores)	236
Toledo	
Lion Dry Goods (Mercantile Stores Co., Wilmington, DE) (3 stores)	120
WISCONSIN	
Brookfield	
Kohl's Department Stores (acquired in 1986 in a leveraged buyout by management from BATUS, Inc., Louisville, KY. Owned by a group including Kohl's management, Robert Suslow & Associates and developer Melvin Simon. (40 dept. stores)	493
MainStreet (20-unit spec. chain) was acquired by Kohl's from Federated Dept. Stores in 1988. 1987 volume:	157
Green Bay	
Prange's (H.C. Prange Co., Sheboygan, WI) (21 dept. stores: WI 17, IL 2, MI 2) Also operates Prange Way, a discount operation, and "id" a women's wear chain)	175
Prange will acquire two of four Milwaukee area Marshall Field stores in January 1989.	
Milwaukee	
P.A. Bergner (31 stores: IL 24, WI 7)	410

SOUTH	Latest Available Annual Sales (Mil.$)
ALABAMA	
Birmingham	
Parisian, Inc. (16 spec. stores)	$ 243.1
Company was acquired in 1988 in a leveraged buyout by P.I. Acquisition Corp.--an investor group--and Hooker Holdings (USA) Inc., a subsidiary of Hooker Corp., New South Wales, Australia. A store was opened in Cincinnati, OH in October 1988.	
Mobile	
Gayfer's (Mercantile Stores, New York, NY) Two divisions:	
Montgomery (6 stores: AL 4, GA 2)	185
Springdale Plaza, Mobile (12 stores: FL 6, AL 3, MS 3)	375
ARKANSAS	
Little Rock	
Dillard's Arkansas Division (Dillard Dept. Stores, Inc., Little Rock, AR) (31 dept. stores: AK 9, TX 8, LA 7, TN 7)	400
DISTRICT OF COLUMBIA (Also see listings in Virginia and Maryland)	
Garfinckel's/Raleighs (22 stores combined in 1987)	200
Garfinckel's (10 spec. stores: VA 5, MD 3, DC 2)	120
Raleigh's (12 spec. stores)	80
(In Dec. 1988 it was reported that Raleigh's would be sold to Hartmark Corp.)	
Woodward & Lothrop (Taubman Investment Co., Detroit, MI) (16 dept. stores: MD 10, VA 4, DC 2, plus a Clearance Store)	500.1
Woodward & Lothrop acquired John Wanamaker, Philadelphia, (15 stores) from Carter Hawley Hale, bringing the combined total to 31 stores with annual volume estimated at $900 million in 1987.	
(This chain may be sold before the end of 1988. A leading bidder is reported to be developer Kevin F. Donahue, part owner of Miller & Rhoads, Richmond, VA)	
FLORIDA	
Bradenton	
Beall's Florida (42 dept. stores, 10 outlet stores)	150.0+
Sales of the 10 outlet stores opened in June 1987 are at an annual rate of $10 million.	
Jacksonville	
May Florida (sold in 1988 by May Department Stores Co., St. Louis, MO to Maison Blanche, Baton Rouge, LA (9 stores)	80
To be renamed Maison Blanche. A 5th Jacksonville store is to be opened in 1989.	
Miami-Palm Beach-Fort Lauderdale Area	
Burdine's (Federated Dept. Stores, Cincinnati, OH) (29 dept. stores in FL)	850
JByron's Department Stores, Miami (Amcena, New York, N.Y.) (55 stores)	235

(continued)

SOUTH	Latest Available Annual Sales (Mil.$)
FLORIDA (continued)	
Tampa-St. Petersburg	
Maas Brothers/Jordan Marsh Florida (Allied Stores, Cincinnati, OH) (38 stores)	$ 620
Jordan Marsh Florida, Miami, with an estimated volume of $270 million in 17 stores, was merged with Maas in 1987.	
Robinson's Maison Blanche (See Maison Blanche-Goudchaux, Baton Rouge, LA)	
GEORGIA	
Atlanta	
Macy's-Atlanta (R.H. Macy & Co., New York, NY) (14 stores)	450
Plans to open a store in Florida and 4 in Texas.	
Rich's/Goldsmith's (Federated Department Stores, Inc., Cincinnati, OH)	
6 Rich's Atlanta and 20 Memphis-based Goldsmith's, Memphis, were merged. (26 dept. stores in AL, GA, SC, TN)	710
Augusta	
J.B. White & Co. (Mercantile Stores Inc., Wilmington, DE) (7 stores)	150
Savannah	
Allied Department Stores (116 stores)	52
KENTUCKY	
Lexington	
McAlpin Co. Kentucky Div. (2 jr. dept. stores) (See McAlpin Co., Cincinnati, OH)	20
Louisville	
Bacon's (Mercantile Stores Company Inc., Wilimginton, DE) (7 stores)	160
Bacon's operates 6 dept. stores: IN 1, KY 5 plus Root's, Terre haute, IN (1)	
A Bacon unit was opened in Louisville in 1988.	
Snyder's Inc. (13 stores) (Acquired by Hess's, Allentown, PA) See Hess Co. listing.	
LOUISIANA	
Baton Rouge	
Maison Blanche/Goudchaux (17 stores including Robinson's)	336
Acquired 10 Robinson's of Florida stores, with a volume of $136 million, from May Dept. Stores Co., St. Louis, MO in 1987 and 5 May Florida stores in 1988. Florida stores will be renamed Maison Blanche and a 5th Jacksonville-Florida-Area store will be opened.	

SOUTH	Latest Available Annual Sales (Mil.$)
LOUISIANA (continued)	
New Orleans	
D.H. Holmes Co. (19 dept. stores: LA 15, MS 2, AL 1, FL 1) plus 4 shoe stores, 2 clearance centers and a car care center)	$ 274.9
Towson	
Hutzler's (9 dept. stores in MD) Also owns Sara Fredericks, 8 spec. stores and 6 designer stores with a volume of about $15 million.	92.6
Merry-Go-Round (432 spec. stores)	255.2
MISSISSIPPI	
Jackson	
McRae's, Inc. (28 stores: AL, FL, LA, MS) (Including 6 former Pizitz, Birmingham stores)	344
NORTH CAROLINA	
Charlotte	
Ivey's (BATUS Inc., Louisville, KY (24 stores in FL, NC, SC) (Includes Ivey's Carolinas and Ivey's Florida)	275
OKLAHOMA	
Oklahoma City	
C.R. Anthony (C.R. Anthony Holding Co./Citicorp Venture Capital Ltd.) (247 apparel stores)	416
TENNESSEE	
Alcoa	
Proffitts (5 stores) Proffits opened its first women's spec. store, in Chattanooga, Jan. 1989.	45.9
Chattanooga	
Loeman's (5 stores)	35
Knoxville	
Millers, (Hess's Department Stores Inc., Allentown, PA) (12 stores in GA, TN, VA) Miller's was sold to Hess's by Allied Stores in May 1987, and stores were renamed Hess's in Jan. 1988.	115
Memphis	
Goldsmith's (Federated Dept. Stores, Inc., Cincinnati, OH) (6 stores) Merged in 1988 with Rich's, Atlanta, GA. See listing.	180
Nashville	
Cain-Sloan (4 dept. stores) Acquired by Dillard Department Stores Inc., Little Rock, AK in April 1987 from Allied Stores. Downtown store was closed.	73.1
Castner Knott Dry Goods Co. (Merchantile Stores, Wilmington, DE) (11 dept. stores: TN 7, AL 3, KY 1)	250

		Latest Available Annual Sales (Mil.$)
SOUTH		
TEXAS		
Dallas		
County Seat (Carson Pirie Scott, Chicago, IL) (328 apparel spec. stores)		$ 265
Joske's (27 dept. stores: TX 26, AZ 1; 16 owned, 11 leased) Sold by Allied Stores to Dillard Department Stores Inc., Little Rock, AK in April 1987. 13 stores were closed or liquidated.		375
Neiman Marcus-Dallas (Neiman Marcus Group, Chestnut Hill, MA) (22 stores: TX 6, GA 5, IL 3, FL 2, DC 1, GA 1, MA 1, MO 1 NV 1, NY 1)		926.2
(Sales include $68 million from catalog business)		
North Park Center, Dallas (flagship store)	$ 75	
Beverly Hills, CA	70	
White Plains, NY	30.0+	
The 23rd store will be opened in 1989 in McLean, VA.		
Fort Worth		
Dillard's, Fort Worth Division (Dillard Dept. Stores, Little Rock, AR) (45 dept. stores: TX 25, OK 10, KS 4)		691
The Dunlap Co. (33 jr. dept. stores under various names in NM, OK, TX, incl. Striplings & Cox's, 7 stores in Fort Worth area after closing of Ridgmar Mass store in Jan. 1988. S&C volume was about $35 million.)		130
Houston		
Abercrombie & Fitch (sold by Oshman's, Houston, to The Limited, Inc., Columbus, OH, January 1988) (27 spec. stores)		49.2
Foley's (Sold by Federated Dept. Stores, Cincinnati, OH to May Department Stores Co., St. Louis, MO in 1988) Of the 38 Foley stores, 3 Dallas units and an Albuquerque store are to be closed Jan. 1989. Plymouth Park, Houston is also to be closed. An Irvington Mall store--a former Joske's --will be opened August 1989.		1,170
Sakowitz II, (Hooker Retail USA, New York, NY) (4 stores) After planned purchase by Hooker of Frost Bros., San Antonio, Sakowitz will include the Frost Bros. stores.		25
Weiner's stores (118 apparel stores)		225
Jacksonville		
3 Beall's Brothers 3, Inc. (149 spec. stores) May merge some units with C.R. Anthony's of Oklahoma City, according to news reports.		327
San Antonio		
Dillard's, San Antonio Division (Dillard Dept. Stores, Little Rock, AR) (34 dept. stores in TX)		418
Frost Brothers (Wyly Collection, New York, NY) (10 spec. stores in Texas) (Filed Chapter 11 in April 1988.) Hooker Retail USA plans to buy Frost Brothers and merge the stores with Sakowitz.		77

	Latest Available Annual Sales (Mil.$)
SOUTH	
VIRGINIA	
Arlington	
Hecht's (May Department Stores Co., St. Louis, MO) (23 stores in MD, VA)	$ 700
Richmond	
Miller & Rhoads (Acquired from Allied Stores Corp., New York, NY by a management group and real estate developer Kevin F. Donahue in a leveraged buyout in 1987) (17 dept. stores: VA 16, NC 1)	151.4
Thalhimer Bros., Inc. (Carter Hawly Hale, Los Angeles, CA) (24 dept. stores: VA 12, NC 9, SC 2, TN 1) Will open stores in 1991 in Raleigh and in Winston-Salem, NC.	365

Nordstrom opened a store in Tysons Corner, VA in March 1988 which is expected to have a volume of $100 million in its first full year. Saks Fifth Avenue opened a store in Tysons II Mall in October 1988.

	Latest Available Annual Sales (Mil.$)
WEST VIRGINIA	
Wheeling	
Stone & Thomas, Inc. (19 dept. stores in OH, WV)	110
WEST	
ARIZONA	
Tempe/Phoenix	
Broadway Southwest, Mesa (Carter Hawley Hale, Los Angeles, CA) (11 stores: AR, CO, NM, NV)	210
Dillard's Phoenix Division, Tempe, AR (22 dept. stores: AR 12, NM 4, NV 3, TX 3)	262
Goldwater's, Scottsdale (May Department Stores Co., St. Lous, MO) (9 dept. stores: AR 7, NM 1, NV 1)	161
CALIFORNIA	
Carson	
Pic 'N Save (101 stores)	305
Haywood	
Mervyn's (Dayton Hudson Corp., Minneapolis, MN) (199 stores)	3,182.6
Los Angeles/Long Beach (Southern California Area)	
The Broadway-Southern California (Carter, Hawley Hale, Los Angeles, CA) (43 California dept. stores and a clearance center) A Santa Barbara store is to be opened in 1990.	1,090
Buffum's Inc., Long Beach (17 Jr. dept. stores)	110

(continued)

WEST	Latest Available Annual Sales (Mil.$)
CALIFORNIA	
Los Angeles/Long Beach (Southern California Area) (continued)	
Bullock's-Southern California, Bullock's Willshire (29 stores) plus 3 Bullock's woman spec. stores	$ 825
Bullock's Department Stores (22 stores)	695
Bullock's Wilshire (7 stores)	110
Specialty stores (3)	15.0
In April 1988 R.H. Macy & Co., New York, NY acquired Bullock's from Federated Department Stores Inc., Cincinnati, OH	
Contempo Casuls (Neiman Marcus Group, Chestnut Hill, MA) (207 stores)	148.5
Frederick's of Hollywood (148 spec. stores in 33 states plus catalogs) Also operates Private Moments, a spec. store chain.	58
May Company-California, North Hollywood, CA (May Department Stores Co., St. Louis, MO) (34 dept. stores in CA)	853
Robinson's (May Dept. Stores Co., St. Louis, MO) (24 dept. stores in CA)	576
Sacramento	
Weinstock's (Carter Hawley Hale, Los Angeles, CA) (12 dept. stores: CA 8, UT 3, NV 1)	240
San Bernadino	
Harris' Stores (6 dept. stores)	82.5
San Francisco	
Emporium Capwell (Carter Hawley Hale, Los Angeles, CA) (22 dept. stores in CA)	714
Macy's California, San Francisco (R.H. Macy & Co., New York) (24 dept. stores in CA, 1 in Reno, NV)	1,400
(The Bullock's, Los Angeles and I Magnin, San Franciso, stores acquired by Macy's in 1988 will be operated out of Macy's California.)	
I. Magnin (acquired in 1988 by R.H. Macy & Co., New York, from Federated Department Stores, Cincinnati, OH) (25 spec. stores: CA 18, IL 3, AR 1, MD 1, OR 1, WA 1) The Portland, OR store is to be closed Dec. 1988.	302.3
In October 1988, Nordstrom opened a store in San Francisco--its largest store. It could reach a volume of over $125 million in its first year.	
Santa Monica	
Z & Z Fashion Ltd. (Webster Clothes, Baltimore, MD) (19 men's wear stores in CA, NV)	60
Van Nuys	
Judy's Inc. (102 women's spec. stores operated under various names)	57.5

WEST

	Latest Available Annual Sales (Mil.$)
COLORADO	
Denver	
Joslins (Mercantile Stores Co., Inc., Wilmington, DE) (11 dept. stores: CO 10, WY 1)	$ 232
May D & F (May Dept. Stores Co., St. Louis, MO) (14 dept. stores including three former The Denver stores)	246
MONTANA	
Billings	
Hennessy's (Mercantile Stores, Co., Inc., Wilmington, DE) (3 dept. stores. Also operates deLendrecie's, Fargo, ND (1).)	70
OREGON	
Portland	
Fred Meyer (99 spec. stores in AK, ID, MT, OK, UT, WA)	1,847.8
Meier & Frank (May Dept. Stores Co., St. Louis, MO) (8 dept stores: OR 7, WA 1)	238
UTAH	
Salt Lake City	
ZCMI Department Store (Zion's Cooperative Mercantile Assoc.) (10 dept. stores: UT 8, ID 2)	177.6
WASHINGTON	
Bellevue	
Lamonts (33 spec. stores in AK, ID, OR, WA)	170
Redmond	
Eddie Bauer, Inc. (General Mills, Inc., Minneapolis, MN) (58 stores plus catalogs)	255
Sold in 1988 to Spiegel, Inc., Oakbrook, IL	
Retail Stores	107.5
Catalog	77.3
Seattle	
Bon Marche (The Bon) (Allied Stores Corp., Cincinnati, OH) (40 stores, including 3 Home Stores, in ID, MT, OR, UT, WA)	515
Frederick & Nelson (F&N Acquisition Corp., Seattle, WA) (15 stores: 9 dept. stores, 7 Lymans spec. stores)	240
Spokane	
The Crescent (F&N Acquisition Corp., Seattle, WA) (3 stores)	55+
HAWAII	
Honolulu	
Liberty House Stores (Amfac Retail Div., San Francisco, CA) (9 dept. stores, plus 30 resort/spec. shops)	283.5

SCHEDULE OF ADDITIONAL FACT FILES

THE CHILDREN'S MARKET: INFANTS', TODDLERS', GIRLS' AND BOYS' (APPAREL, PLAYTHINGS & RELATED PRODUCTS): Includes a detailed statistical profile of the U.S. industry, i.e. number and size of manufacturers, production and shipments, employment trends and more. Also details imports and exports by product. At the retail level, this Fact File covers sales estimates, information on leading outlet types and on consumer price trends. The size of the growing potential market in terms of population counts and birth projections is outlined as well as consumer preferences and buying patterns in the consumer market.

CONSUMER MARKET DEVELOPMENTS (1988 Edition): Provides an overview of all facets of consumer market growth, including population size, age distribution, educational levels, employment by occupation groups, earnings. Development of specific market segments are analyzed which are shaped by changes in income levels, living arrangements working women, marriage and birth trends, and fast-changing economic developments.

DEPARTMENT STORE AND SPECIALTY STORE SALES (1988 Edition): Updates 1987 edition reports on department and specialty stores (number and sales) at the buying headquarter level, with information on branch stores where available. Data is organized for headquarter operations listed by city within the four major geographical regions of the U.S. Additional features: an alphabetical listing of major national chains in the general merchandise and apparel store classifications with the latest sales figures; a list of top traditional department store operations ranked by sales, covering store operations with a volume of $50 million or more in 1987; a list of conglomerates operating traditional department and apparel specialty stores, with the names and headquarter locations of these stores.

DRESSES, DRESS DEPARTMENTS, WASHABLE SERVICE APPAREL (WOMEN'S, MISSES', JUNIORS'): Includes trends in the U.S. industry, such as number of manufacturers, production, shipments; information on imports and their market penetration. Estimates are included on retail sales, as well as information on consumer spending patterns, and the growing importance of the service industries requiring washable service apparel.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported.

FOOTWEAR (MEN'S, WOMEN'S, BOYS', GIRLS'): A statistical analysis of the U. S. footwear industry and on imports, including import penetration by type of footwear, changes in sourcing patterns, etc. Also includes information at consumer spending patterns, retail sales by outlet type, operating ratios in footwear departments, consumer buying patterns.

HOME TEXTILES & RELATED PRODUCTS: Covers information on manufacturers in the industry, and developments resulting from consolidations, the quantity and value of U.S. production, foreign trade, total market supply. At the retail level, the report includes information on household spending, price trends and consumer buying habits. Included in this Fact File are facts on linens and domestics, as well as window coverings and related hardware, and bath shop items.

HOSIERY/LEGWEAR (MEN'S, WOMEN'S, BOYS' GIRLS'): A comprehensive report on these industries at the mill, retailer and consumer levels. Included are details on production and shipments, retail sales by type of outlet, patterns in consumer spending.

HOUSEHOLD FURNITURE AND BEDDING (Mattresses, Dual-Purpose Sleep Furniture, etc.): Reviews important market trends and provides an overview of important statistics at the manufacturing, retailing and consumer levels relating to furniture and bedding. Included is information on the number of manufacturers, the quantity and value of shipments, employment and earnings, and industry concentration levels. Retail data includes information on furniture store sales, the leading furniture stores and the leading department stores in furniture volume; trends in consumer spending for furniture and price level changes.

MEN'S FURNISHINGS AND WORK/CAREER APPAREL: Provides a summary of major market trends in men's shirts, (dress and sport), underwear, nightwear, robes, hosiery and headwear, as well as the growing market for work/career apparel. These products are covered at the U.S. industry level, including production and shipments, employment trends and manufacturer concentration levels. Imports are detailed by product in terms of quantity and value, as well as exports. Data at the retail level includes sales and operating results in men's furnishings in department and specialty stores.

MEN'S SPORTSWEAR, CASUAL WEAR, OUTERWEAR: The wide variety of men's wear items included in this broad category are covered; including available information on the industry and markets at the manufacturer, retailer and consumer levels. It covers information on production and shipments by U.S. producers, imports and exports, as well as estimates on retail sales and information on consumer buying practices.

MEN'S TAILORED CLOTHING/SEPARATES; RAINWEAR: Covers information on the fast-growing category, tailored (but unstructured) separates for men, as well as suits, jackets and coats made in the men's clothing industry, plus rainwear. U.S. industry data includes trends in the number of manufacturers, production and value of shipments, location of the industry and employment trends. Foreign trade is examined, including export and import developments. The U.S. consumer market is defined in terms of number in the population by age and by population groups. A look is taken at the Young Men's market and merchandising practices of stores to reach this market.

RETAILING/MERCHANDISING TRENDS: Covers the dramatic changes underway in the operations, of the large retailing organizations, such as the decentralization of operations beyond traditional geographic boundaries and diversification of operations to include store types differing from the primary business. Also covered are developments in brand name merchandising, store labels, designer labels, licensing and off-price retailing. (Latest edition available 1984).

SALES OF MAJOR CLASSIFICATIONS OF CONSUMER GOODS BY RETAIL OUTLET TYPE: Covers sales of grocery products, drugs, apparel, footwear, sporting goods, home furnishings and other product lines by major type of retail outlet. The sales are detailed, and trends analyzed on market shares held by major outlet types based on the latest complete Census of Retail Trade. (Latest edition available 1986.)

THE SPORTS/FITNESS/LEISURE MARKETS: Covers the market for products designed for the active sports participant, as well as athleisure activities and active apparel. Covers growth trends in specific sports and related products, including footwear and apparel, and developments in the fitness market.

SPORTSWEAR, CASUAL WEAR, SEPARATES (WOMEN'S, MISSES' AND JUNIORS'): A statistical view of the products included in this classification at the manufacturing and retailing level. Includes information on production, shipments, foreign trade, a well as estimates on consumer spending and buying patterns and on market trends.

STATISTICAL ANALYSIS OF RETAILING (A Fact File Special Edition): A detailed statistical summary of retail trade in the U.S. based on findings in the 1982 Census of Retail Trade issued in 1985 by the U.S. Census Bureau. Percentage distributions have been calculated for firms and outlet types, including single and multi-unit operations, sales concentration and geographical distribution, with comparisons with 1977 census findings where possible. (Latest edition available 1985).

THE TEXTILE/APPAREL INDUSTRIES: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed.

TOILETRIES, COSMETICS, FRAGRANCES: A detailed view of the U.S. industry covering products for both the female and male markets. Includes latest available industry statitistics, at the manufacturing and retail levels. The quantity and value of manufacturers' shipments, leading manufacturers, advertising expenditures are covered, as well as information on retail sales by product, consumer buying habits and price trends.

WOMEN'S COATS, SUITS, TAILORED CAREER WEAR, RAINWEAR, AND FURS: Data for the domestic industry includes the number of manufacturers, industry concentration levels, trends in employment and earnings, production and value of shipments, including exports. Import trends and impact on U.S. market supply are analyzed. At the retail level, information includes consumer price trends, the size of the potential market and outlook for growth in terms of population by age group and employment trends among women.

WOMEN'S INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices.

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Footwear (Men's, Women's, Boys' and Girls')

FAIRCHILD FACT FILE

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FOOTWEAR (MEN'S, WOMEN'S, BOYS' & GIRLS')

Market Trends

As 1989 approaches, U.S. footwear analysts see the future in terms of the performance of the giants and would be giants of the athletic footwear business--Nike, Reebok, and L.A. Gear.

The athletic footwear industry, the driving force in the business, appears to be in good shape with many merchandising and inventory problems behind them. Nike, in particular, is seen as having a strong turn around, based on sales of performance shoes and products to compete more directly with Reebok in the fashion area. Analysts expect the combined share of these two firms to reach 70% within three years up from about 63% at present. Reebok's earnings declined due to pressure on margins at Avia and Rockport, as well as from the high cost of its unsuccessful UBU TV campaign.

At the World Sports Expo '88 in October, athletic shoe producers were predicting significant growth in 1989 based on improved inventory control was otherwise regarded as a sluggish retail market. Trade sources indicated that they could actually show increases in sales and profits in 1989 by selling fewer shoes, by exerting "economy of scale on the shelf" and making fewer sku's in a smaller selection of colors then previously were made.

L.A. Gear continues to make market inroads based on its fashion appeal, but also plans to broaden its performance lines and will increase its advertising from $13 million to $26 million in 1989.
The children's market continues to capture a greater share of the market as a number of branded firms introduced specialized children's programs, as well as offering child-sized versions of their adult performance shoes.

At the NSGA show no new major sports categories emerged to compete with basketball, tennis and fitness shoes, but some shoe makers reported running shoes enjoying a resurgence, though many of them will be used for street wear instead of running. Most sources agreed that Nike's success with its Air Line stimulated the return of technology's importance, while others noted the trend could switch back to fashion again sometime in 1989.

The big disappointment of 1988 to domestic manufacturers was the defeat of protectionist legislation. The House of Representatives failed to override President Reagan's veto of the textile, apparel and footwear bill. While there is some talk of a new trade bill, it seems unlikely in the near future owing to the priorities of the new Administration. The Omnibus Trade Act signed into law in August contains language that would make it easier for domestic footwear manufacturers to be granted relief from unfairly traded imports under Section 201 of the U.S. trade law.

As the year progressed, import growth overall in the first eight months was off 4.3%, with a total of 640 million pairs of nonrubber footwear imported in 1988 compared with 668 million pairs in the same 1987 period. Imports of rubber/ canvas footwear in the 1988 period were up 28.2% over the similar period in 1987.

Market Trends (continued)

U.S. production of footwear in the first eight months of 1988 dropped 7.6% below the comparable 1987 period. A resurgence in demand for sneakers helped producers of rubber canvas footwear to increase production 21.4% to 56 million pairs. Other good news was the surge in nonrubber footwear exports which were up 52.2% in the eight month period to 10.6 million pairs

Total employment in the domestic nonrubber footwear industry through August 1988, declined about 1% compared with the average in the same 1987 period, but hourly earnings gained 3.5%.

Due to exports and declines in imports, total market supply of nonrubber footwear (new supply) in the first eight months of 1988 declined 5.4% compared with the 1987 period in terms of quantity, but value was up 15% due to higher prices. As of August 1988, the consumer price index for all footwear was up 3.6% over the year-earlier level.

In the first eight months of 1988, shoe stores chalked up a gain of 1.5% compared with sales through August 1987.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

Industry data in this section is drawn primarily from government sources within the Department of Commerce and the Department of Labor. A basic source for industry statistics is the complete census of all manufacturers with payroll which is conducted by the Census Bureau every five years. The most recent census covered operations in the year 1982. In intervening years, the Census Bureau conducts an annual survey among a sample of manufacturers in order to develop estimates on key measurements of manufacturing activity. Another Department of Commerce source, the International Trade Administration, develops information on annual growth rates and projections in terms of current and constant dollar values.

Industry Profile

Trends in the Footwear Industry

	Compound Annual Rate of Change		Percent Change (e)	
	1972-1985	1980-1985	1987/1986	1988/1987
Nonrubber footwear industry*				
Value of industry shipments				
Current dollars				
Industry total	+ 2.4%	- 2.7%	+ 2.8%	nr
House slippers	+ 3.0	- 7.1	-26.2	nr
Men's footwear	+ 3.7	- 0.7	+ 2.9	nr
Women's footwear	+ 1.4	- 1.4	+ 5.2	nr
Footwear, nec	+ 0.8	- 9.7	-10.4	nr

(continued)

GENERAL INDUSTRY STATISTICS

Industry Profile (continued)

Trends in the Footwear Industry
(continued)

	Compound Annual Rate of Change		Percent Change (e)	
	1972-1985	1980-1985	1987/1986	1988/1987
Constant 1982$				
Industry total	- 3.4	- 4.8	+ 1.2	- 3.1
House slippers	- 2.3	- 8.0	-29.6	- 2.5
Men's footwear	- 3.0	- 3.2	+ 0.2	- 3.0
Women's footwear	- 3.8	- 3.5	+ 5.6	- 3.5
Footwear, nec	- 4.0	-11.3	+ 7.8	- 2.8
Total employment	- 5.4	- 8.6	- 3.0	nr
Rubber/plastics footwear industry				
Value of industry shipments*				
Current dollars	+ 0.6	+ 1.8	- 3.0	nr
Constant (1982$)	- 3.5	+ 0.3	- 9.2	- 9.8
Total employment	- 7.2	- 7.8	- 7.1	nr

nr not reported
nec not elsewhere classified
(e) estimated
* Value of all products and services sold by plants classified in this industry.

Source: U.S. Department of Commerce: 1987 U.S. Industrial Outlook, International Trade Administration

The U.S. Manufacturing Industry By Type of Footwear: 1982, 1985, 1986

	1986	1985	1982	% Change 1986/82
NONRUBBER FOOTWEAR, TOTAL (SIC 314*)				
Number of companies	na	na	na#	--
Number of establishments##	na	na	751	--
With 20 or more employees	na	na	536	--
All employees (thous.)	75.9	86.1	121.4	-37.5%
Production workers (thous.)	66.1	75.7	107.4	-38.5
Payroll (mil. $)	$ 927.2	$1,002.8	$1,250.0	-25.8
Value added by manufacture (mil.$)**	2,061.3	2,357.2	2,808.9	-26.6
Value of industry shipments (mil. $)***	4,007.6	4,448.1	5,269.3	-23.9
Capital expenditures, new (mil. $)	41.7	53.3	65.6	-36.2
Machinery equipment	na	na	47.3	-11.8

(continued)

GENERAL INDUSTRY STATISTICS

Industry Profile (continued)

The U.S. Manufacturing Industry By Type of Footwear: 1982, 1985, 1986
(continued)

	1986	1985	1982	% Change 1986/82
MEN'S FOOTWEAR, EXCEPT ATHLETIC (SIC 3143*)				
Number of companies	na	na	129	--
Number of establishments#	na	na	203	--
With 20 or more employees	na	na	159	--
All employees (thous.)	31.8	34.9	46.5	-31.6%
Production workers (thous.)	28.0	30.8	40.7	-31.2
Payroll (mil. $)	$ 416.6	$ 435.9	$ 503.1	-17.2
Value added by manufacture (mil. $)**	913.1	1,051.4	1,101.4	-17.1
Value of industry shipments (mil. $)***	1,891.4	2,070.5	2,261.4	-16.4
Capital expenditures, new (mil. $)	16.2	28.9	28.3	-42.8
Machinery & equipment	11.9	21.3	18.8	-36.7
WOMEN'S FOOTWEAR, EXCEPT ATHLETIC (SIC 3144*)				
Number of companies	na	na	209	--
Number of establishments#	na	na	293	--
With 20 or more employees	na	na	226	--
All employees (thous.)	30.2	34.3	48.4	-37.6
Production workers (thous.)	26.3	30.3	43.4	-39.4
Payroll (mil. $)	$ 341.9	$ 378.8	$ 483.1	-22.2
Value added by manufacture (mil. $)**	812.3	919.6	1,107.0	-26.6
Value of industry shipments (mil. $)***	1,405.9	1,613.0	1,933.2	-26.2
Capital expenditures, new (mil. $)	13.8	12.3	20.2	-31.7
Machinery & equipment	10.5	9.8	17.0	-38.2
HOUSE SLIPPERS (SIC 3142*)				
Number of companies	na	na	53	--
Number of establishments#	na	na	62	--
With 20 or more employees	na	na	44	--
All employees (thous.)	4.7	5.7	7.5	-37.3
Production workers (thous.)	3.9	4.9	6.4	-39.1
Payroll (mil. $)	$ 57.3	$ 62.5	$ 71.3	-19.6
Value added by manufacture (mil. $)**	103.4	112.3	149.7	-30.9
Value of industry shipments (mil. $)***	208.7	223.2	275.8	+24.3
Capital expenditures, new (mil. $)	6.0	4.2	3.1	+93.5
Machinery & equipment	4.1	3.5	2.4	+70.8
FOOTWEAR, EXCEPT RUBBER, NOT ELSEWHERE CLASSIFIED (SIC 3149*)				
Number of companies	na	na	167	--
Number of establishments#	na	na	193	--
With 20 or more employees	na	na	107	--
All employees (thous.)	9.2	11.2	19.1	-51.8
Production workers (thous.)	7.9	9.7	16.8	-53.0
Payroll (mil. $)	111.4	$ 125.6	$ 192.7	-42.2
Value added by manufacture (mil. $)**	232.5	274.0	450.9	-48.4
Value of industry shipments (mil. $)***	481.7	541.4	789.9	-39.0
Capital expenditures, new (mil. $)	5.7	7.9	14.0	-59.3
Machinery & equipment	5.3	na	9.2	-42.4

(continued)

GENERAL INDUSTRY STATISTICS

Industry Profile (continued)

The U.S. Manufacturing Industry By Type of Footwear: 1982, 1985, 1986 (continued)

	1986	1985	1982	% Change 1986/82
RUBBER/PLASTICS FOOTWEAR (SIC 3021*)				
Number of companies	na	na	53	--
Number of establishments#	na	na	65	--
With 20 or more employees	na	na	40	--
All employees (thous.)	9.2	12.0	17.6	-47.7%
Production workers (thous.)	7.5	9.7	15.0	-50.0
Payroll (mil. $)	$ 136.8	$ 161.1	$ 196.5	-30.4
Value added by manufacture (mil. $)**	286.5	318.0	360.1	-20.4
Value of industry shipments (mil. $)***	573.3	647.2	706.2	-18.8
Capital expenditures, new (mil. $)	6.3	8.4	12.4	-49.1
Machinery & equipment	5.9	7.8	11.4	-48.2
BOOT & SHOE CUT STOCK & FINDINGS (SIC 3131*)				
Number of companies	na	na	149	--
Number of establishments#	na	na	161	--
With 20 or more employees	na	na	80	--
All employees (thous.)	4.3	5.4	6.8	-36.8%
Production workers (thous.)	3.8	4.7	5.7	-33.3
Payroll (mil. $)	$ 56.3	$ 64.5	$ 80.8	-30.3
Value added by manufacture (mil. $)**	97.2	111.1	154.7	-37.2
Value of industry shipments (mil. $)***	246.5	277.3	367.8	-33.0
Capital expenditures, new (mil. $)	2.1	2.9	6.0	-65.0
Machinery & equipment	2.0	2.6	5.0	-60.0

na not available

# In the 1982 Enterprise Statistics report issued by the Census Bureau a total of 481 companies classified in the Footwear, Except Rubber, Industry were reported. Of this total, 437 were single-industry companies (operating only within this industry classification) and 44 were multi-industry companies. In Enterprise Statistics, companies are classified according to their owning firm's primary industry activity. In the Industry Series, a source for the above table and other tables in this Fact File, information is on an establishment (plant) basis. Each plant is separately classified by industry, based on its primary product, regardless of company ownership. Company counts, therefore, include some companies which are not primarily footwear companies.

## Each manufacturing location is counted as a separate establishment (plant). Auxiliary locations (such as sales offices, warehouses, etc.) are not included in the above table.

* Manufacturing plants are classified by industry under the Standard Industrial Classification (SIC) System determined by the principal product, as shown below. (SIC 314 is a composite of industries in SIC 3142, -43, -44, -49).

GENERAL INDUSTRY STATISTICS

Industry Profile (continued)

Industry Definitions:

SIC 3143	Establishments primarily engaged in the production of men's dress and casual shoes, boots and work shoes--much of these are all leather.
SIC 3144	Establishments primarily engaged in the production of women's dress and casual shoes, sandals and boots. Much of the footwear produced by these plants is primarily of leather.
SIC 3142	Establishments primarily engaged in the production of house slippers made of leather or other materials. Slipper socks are included in this industry, if made from purchased socks.
SIC 3149	Establishments primarily producing footwear not classified in the above industries or in SIC 3021 (rubber and plastic). Included in SIC 3149 are shoes for infants and babies, children, misses, youths and boys. Also included are athletic shoes (except footwear with fabric uppers and rubber or plastic soles), theatrical shoes, and beach slippers.
SIC 3021	Establishments making all-rubber or all-plastic footwear, or footwear with rubber or plastic soles galvanized to the fabric uppers. There are two basic types of footwear included: (1) fabric upper espadrilles, sneakers (with fabric uppers), specialties designed for leisure wear (not including slippers), etc.; (2) protective footwear including boots, arctics, rubbers, etc., designed to be worn as a protection against water, oil, chemicals, cold weather, etc.
SIC 3131	Establishments primarily engaged in manufacturing leather soles, inner soles, and other boot and shoe cut stock findings. This industry also includes finished wood heels. It does not include manufacturers of shoe findings made of rubber, plastic, or fiber.

** Value added by manufacture is derived by subtracting the cost of finished products, materials, supplies, fuel, contract work, etc., from the value of shipments (including resales of finished products) plus the net change in the value of finished products and work-in-process inventories between the beginning and end of the year, without adjustment for price changes.

*** Value of industry shipments represents the total value of shipments of all establishments classified in the specified industry. The data includes the shipments of products classified in the industry (primary to the industry), products classified in other industries (secondary to the industry), and miscellaneous receipts (repair work, research and development, resales, etc.) This should be clearly distinguished from the specific value of footwear shipments by all manufacturers, including both primary and secondary producers which are classified in other industries. The value is covered in PRODUCT SHIPMENTS.

Source: U.S. Bureau of the Census:
1982 Census of Manufactures (Industry Series MC82-1-30A, 31A);
1985, 1986 Annual Survey of Manufactures M86 (AS)-1

GENERAL INDUSTRY STATISTICS

Explanation of other terms used in this Fact File:

Nonrubber footwear: Includes shoes, boots and slippers made by "conventional" processes, such as cemented, welted, slip-lasted, etc., and shoes with rubber sole vulcanized to leather uppers. (Footwear covered in SIC 314)

Rubber/plastic footwear: Footwear with rubber or plastic soles and fabric uppers, such as sneakers, and rubber or plastic protective footwear. (SIC 302)

Sizes:
Men's shoes: sizes 6 and over, including big boys' shoes.
Youths' and boys' shoes: sizes 12 1/2 to 5 1/2.
Women's shoes: sizes 4 and over including growing girls' shoes.
Misses' shoes: sizes 12 1/2 to 3 1/2.
Children's shoes: sizes 8 1/2 to 12, including little boys' shoes.
Infants' shoes: size 0 to 8.

Note: In some cases, sources of information use age designations rather than size in classifying shoe types.

Employment/Earnings/Labor Costs

Census Bureau reports covering plants classified in the nonrubber footwear industry trace the decline in U.S. production worker levels. As of 1986, production worker employment in men's footwear plants averaged 49% below 1972; in women's footwear, production worker employment was down 62.4%; in athletic and other footwear, it declined 69%; in house slippers, the loss was 45%.

On a current dollar basis, total payrolls in men's nonrubber footwear in 1986 were 9.3% above the 1972 total; in women's footwear, however, there was a 19% decline.

Production Worker Employment, Wages & Value Added By Manufacture, 1972, 1977, 1982, 1984-1986

Year	No. of Production Workers (thousands)	Total Wages (Mil. $)	Value Added By Manufacture (Mil. $)
Nonrubber footwear plants:			
Men's, except athletic			
1986	28.0	$ 315.8	$ 913.1
1985	30.8	336.8	1,051.4
1984	35.3	368.4	1,118.9
1982	40.7	382.2	1,101.1
1977	49.2	332.2	871.9
1972	54.4	288.9	674.4
Women's except athletic			
1986	26.3	269.8	812.3
1985	30.3	296.1	919.6
1984	36.1	338.9	987.1
1982	43.4	392.9	1,107.0
1977	51.3	315.6	755.0
1972	70.0	334.3	763.6

(continued)

Employment/Earnings/Labor Costs (continued)

Production Worker Employment, Wages & Value Added By Manufacture, 1972, 1977, 1982, 1984-1986 (continued)

Year	No. of Production Workers (thousands)	Total Wages (Mil. $)	Value Added By Manufacture (Mil. $)
House slippers			
1986	3.9	$ 36.2	$ 103.4
1985	4.9	46.0	112.3
1984	5.4	49.4	133.6
1982	6.4	51.7	149.7
1977	7.0	39.6	108.8
1972	7.1	33.4	85.7
Athletic footwear children's footwear, etc.			
1986	7.9	79.3	232.5
1985	9.7	92.1	274.0
1984	12.1	110.1	363.2
1982	16.8	146.8	450.9
1977	21.8	135.1	333.7
1972	25.6	124.9	272.5

Source: U.S. Bureau of the Census: Census of Manufactures, Annual Surveys of Manufactures (Industry Series)

Information on a monthly and annual basis in employment, average hours and earnings, by industry is released by the U.S. Bureau of Labor Statistics. Averages on employment differ somewhat from the numbers issued by the Census Bureau due to differences in the methods used in compilation, but the trends are the same.

Total employment in the U.S. nonrubber footwear industry in 1987 averaged 84,600, which represented a decline of 4.4% from the 1986 average of 88,500. The number of production workers in the industry registered an average 72,800 down 2.4%. This continues the decline in employment that has persisted since 1968.

The sharpest drop has been reported in employment in women's nonrubber footwear, where the 1987 level declined 36% compared with 1983, while it was down less than 27% in the men's footwear segment.

Total employment in rubber/plastics footwear in 1987 averaged 11,500, which was 45.2% lower than the 1983 average. Although demand for sneakers has picked up substantially, most of these shoes are sourced in the Far East, particularly Korea. However, the sector showed a 5.5% increase over 1986. Exports have brightened the domestic footwear picture. In the first eight months of 1988, total employment in the domestic nonrubber footwear industry averaged 85,500--up 0.9% over a similar period in 1987. Production worker levels averaged 1.5% below the year-ago average for the first eight months, while average weekly hours and average hourly earnings were higher--up 3.5%, compared with January-August of 1987.

Employment/Earnings/Labor Costs (continued)

Employment, Hours & Earnings: Annual Averages, 1983-1986, 1987
(Employment figures in thousands)

	Employment		Production Worker		
		Production	Average Earnings		Average Weekly
	Total	Workers	Weekly	Hourly	Hours
Total footwear, nonrubber					
1987	84.6	72.8	$217.73	5.76	37.8
1986	89.7	75.5	201.96	5.61	36.0
1983	126.0	107.3	190.77	5.27	36.2
Men's footwear, except athletic					
1987	36.8	29.9	233.23	6.17	37.8
1986	39.8	31.8	214.44	5.99	35.8
1983	50.7	41.0	202.40	5.50	36.8
Women's footwear, except athletic					
1987	30.8	27.2	206.34	5.43	38.0
1986	31.8	27.9	192.05	5.32	36.1
1983	47.9	42.5	185.24	5.16	35.9
Rubber/plastics footwear					
1987	11.5	9.4	252.29	6.05	41.7
1986	10.6	9.0	234.42	5.98	39.2
1983	16.7	14.1	196.08	5.16	38.0

Source: U.S. Department of Labor,
Bureau of Labor Statistics

While average hourly pay in the footwear industry continues to rise, Census Bureau reports show the decline in total payrolls. The level in men's footwear in 1987 was about 6% lower than in 1986 and 17% below 1982. In women's footwear plants, wage totals were down almost 9%; in athletic and other footwear, down 14% compared to 1986 and 31% and 46% compared to 1982.

From 1982 through 1987, 332 nonrubber footwear plants were closed, 72 were opened, according to Footwear Industries of America, for a net loss of 260 plants. Closings in 1987 numbered 25, 45 less than in 1986 and below the peak of 104 recorded in 1984.

Employment/Earnings/Labor Costs (continued)

The devaluation of the U.S. dollar is affecting the price of imported footwear, particularly imports of fashion shoes from Europe, making these products more expensive in the U.S. As this trend continues, the pace in plant closings and rising unemployment in the U.S. footwear industry may slow, but, on the other hand, importers will seek out new, less-expensive sources of supply abroad.

The F.I.A. has compiled the following information on nonrubber footwear unit labor costs in the U.S. from 1980 through 1987.

Nonrubber Footwear Unit Labor Costs
1980-1987

Year	Wage/ Hour	Pairs/ Hour	Unit Labor Cost	Average Price/Pair	Labor Share %
1980	4.42	1.656	2.67	12.00	22.3
1981	4.82	1.566	3.08	12.85	24.0
1982	5.12	1.709	3.00	13.43	22.3
1983(r)	5.27	1.679	3.14	14.03	22.4
1984(r)	5.43	1.657	3.28	14.31	22.9
1985	5.53	1.656	3.34	14.55	23.0
1986(r)	5.61	1.718	3.27	14.66	22.3
1987	5.76	1.579	3.65	15.54	23.5

(r) revised

Source: Compiled by the F.I.A. from U.S. Department of Labor, Bureau of Labor Statistics and U.S. Department of Commerce, Bureau of the Census data.

Unemployment rates in the footwear industry reached a peak rate of 18.8 in 1982. After an upturn in 1986, the rate for 1987 declined to 13.3 from 15.4.

Nonrubber Footwear Unemployment
1980-1987

Year	Number of Unemployed Workers	Unemployment Rate
1980	16,000	7.7
1981	27,000	12.5
1982	41,000	18.8
1983	37,000	18.6
1984	27,000	16.6
1985	18,000	15.0
1986	18,000	15.4
1987	14,000	13.3

Source: U.S. Department of Labor, Bureau of Labor Statistics

GENERAL INDUSTRY STATISTICS

Industry Concentration

The larger U.S. footwear producers responded to competition from imports by closing plants, consolidating production and increasing efficiency in fewer plants, as well as expanding retailing operations and importing their own lines of branded footwear. Small companies, unable to take these measures for survival, were closed. Thus the domestic footwear industry is smaller and more concentrated among large companies.

The Census Bureau has also compiled information on the value of industry shipments and miscellaneous receipts accounted for by the 50 largest companies operating plants classified in various segments of the footwear industry. It should be noted that a company can be counted in more than one segment of the industry. In the nonrubber footwear industry, the increased concentration level of shipments was more pronounced among companies making women's footwear than men's footwear.

Share of Industry Shipments Accounted For By the Largest Manufacturing Companies: 1977, 1982

		Value of Shipments				
			% Share Accounted For By by Largest Companies			
Industry	No. of Companies*	Total (mil. $)	Top 4	Top 8	Top 20	Top 50
Nonrubber footwear						
Men's exc. athletic						
1982	129	$2,261.4	28	45	74	96
1977	115	1,734.5	31	46	73	95
Women's, exc. athletic						
1982	209	1,933.2	38	47	64	84
1977	243	1,361.2	29	39	56	79
House slippers						
1982	53	275.8	60	76	94	nr
1977	65	201.2	44	64	87	99
Footwear nec						
1982	167	798.9	26	41	68	93
1977	159	594.8	24	41	68	91
Rubber/plastics footwear						
1982	53	706.2	39	61	94	100
1977	67	517.0	58	73	95	99+

nr not reported
nec not elsewhere classified
* Includes companies operating plants in the specified industry component.

Source: U.S. Bureau of the Census:
1982 Census of Manufactures:
Concentration Ratios in Manufacturing, Subject Series MC82-S-7

In addition to 1982 census data the Census Bureau's annual County Business Patterns report provides information on the number of establishments by employment size for specific industries by county, as well as a U.S. summary covered below.

GENERAL INDUSTRY STATISTICS

Industry Concentration (continued)

Establishments in the U.S. Footwear Industry By Employment-Size Class: 1984, 1985

	Nonrubber Footwear Industry				Rubber/Plastics Footwear Industry			
	Estabs*		Employees		Estabs*		Employees	
	1985	1984	1985	1984	1985	1984	1985	1984
Total number in the U.S.	609	681	89,383	107,560	55	59	13,571	15,003
Employment size class:								
Under 10	154	144	486	480	17	20	32	61
10 to 49	116	133	2,911	3,493	9	10	220	291
50 to 99	68	75	4,862	5,261	3	3	230	239
100 to 999	268	324	38,257	91,146	22	22	7,823	7,772
1,000 or more	3	5	nr	7,180	4	4	5,203	6,640

* An establishment is a physical location (plant) where business is conducted or industrial operations performed which is in operation anytime during the year.

nr not reported to avoid disclosure of individual operations.

Source: U.S. Bureau of the Census:
County Business Patterns 1985, 1986

Industry Closings

In the 1982-1987 period, 332 nonrubber footwear plants were closed.

Net Closings of U.S. Nonrubber Footwear Plants: 1982-1987

	Closed	Opened	Net Loss
1982	33	10	- 23
1983	42	18	- 24
1984	104	20	- 84
1985	58	9	- 49
1986	70	6	- 64
1987	25	9	- 16
1982-1987	332	72	-260

Source: Footwear Industries of America

MANUFACTURERS' OPERATIONS

The annual analysis of operating results of public footwear companies (manufacturers, retailers and diversified operations) compiled by Kurt Salmon Associates, Inc., indicated a continued gain by the industry in 1987. Sales for the 16 domestic footwear manufacturers and/or importers were up almost 7%. (Footwear News 5/30/88). Return on sales was 4.2%; return on equity almost doubled compared to the previous year, to 11.5%. For the group of 26 publicly owned companies, (16 manufacturers, 4 athletic footwear specialists, 4 retail companies, and 2 diversified firms primarily in footwear), sales were up 11%, profits for the group climbed 26% to $324.4 million in 1987.

The industry analysis by Kurt Salmon Associates viewed the footwear industry outlook as a period of reviewed profits; a turn around--but at a much slower pace. The survivors have come to terms with the realities of imports, athletic styles, and the importance of controlling retail distribution, according to this source. They have found a niche in the very competitive marketplace, but the pressure to diversify, both into retailing -- from manufacturing/sourcing--and into apparel and other consumer products, is viewed as continuing.

Selected Footwear Industry Sector Results: 1986, 1987

	Manufacturers/Resources*		Athletic Footwear Manufacturing	
	1987	1986	1987	1986
Number of firms	16	15	4	4
Sales (millions of $)	$1,337.0	$1,252.1	$2,405.8	$2,087.1
Net income (millions of $)	56.7	20.1	207.6	196.4
Net after-tax income on sales %	4.2	1.7	8.6	9.4
Return on total equity %	11.4	4.8	21.4	29.9
Gross profit %	34.4	32.2	38.0	37.4

*Companies deriving 50% or more of their sales from footwear manufacturing or importing, except athletic footwear specialists which are separately covered.

Source: Kurt Salmon Associates: The KSA Perspective: Footwear Profile For 1987

Sales & Profits of Leading Publicly-Held Footwear Manufacturers, 1986, 1987
(Dollar figures in millions)

	Sales			Net Profit (Loss)		
	1987	1986	% Change 1987/86	1987	1986	% Change 1987/86
U.S. Shoe Corp.	$2,167.5	$2,003.2	+ 8.2%	$ 52.1	$ 25.5	-204.4%
Reebok Intl. Ltd.	1,389.2	919.4	+ 51.1	165.2	132.1	+ 25.0
Nike Inc.	877.4	1,069.2	- 17.9	35.9	59.2	- 39.4
Stride Rite Corp.	333.7	283.5	+ 17.3	24.1	17.0	+ 41.2
Wolverine World Wide	321.1	341.7	- 6.0	6.5	(12.6)	na
Justin	234.3	230.0	+ 1.8	0.7	5.0	- 85.1
Weyenberg Manufacturing	117.9	106.7	+ 10.4	4.6	4.3	+ 6.1
The Cherokee Group	139.6	104.0	+ 34.2	10.4	6.8	+ 49.1
R.G. Barry	97.0	86.4	+ 12.2	2.9	4.3	- 5.2
Suave Shoe Corp.	71.4	75.4	- 5.2	2.0	2.6	- 24.2

(continued)

Sales & Profits of Leading Publicly-Held Footwear Manufacturers, 1986, 1987
(Dollar figures in millions)
(continued)

	Sales			Net Profit		
	1987	1986	% Change 1987/86	1987	1986	% Change 1987/86
L.A. Gear	70.6	36.3	+ 94.4	4.4	1.7	+250.4
Hyde Athletic Industries	68.0	62.7	+ 8.3	2.2	3.3	- 33.8
Tony Lama Co., Inc.	64.1	58.5	+ 9.5	0.9	(1.8)	na
Jumping Jacks Shoes, Inc.	39.3	41.6	- 5.7	(0.3)	1.2	+ 67.3
B.B. Walker Co.	33.9	31.6	+ 7.0	0.1	(0.3)	na
Shaer Shoe Corp.	22.3	20.3	+ 10.3	1.8	0.9	+ 91.7
Daniel Green Co.	20.7	19.9	+ 1.5	1.0	0.4	+249.0
Wellco Enterprises, Inc.	19.3	17.3	+ 11.5	3.0	2.4	+ 24.6
Penobscot Co.	17.5	12.5	+ 39.5	1.5	0.6	+247.0
Total	6,047.1	5,520.3	+ 0.95	318.9	252.9	+ 26.1

na not available
() represents a loss

Note: Sales and profit figures include the companies' total operations, including the manufacture or sale (wholesale/retail) of products in addition to footwear. Percentages are calculated on unrounded figures.

Source: Footwear News, July 11, 1988

Athletic/Casual Footwear Suppliers

Athletic footwear now represents some 33% of total footwear consumption, down from 35% in 1986, yet is still the biggest single component of the U.S. footwear market. At wholesale, industry sources value U.S. volume in 1987 at $4.0 billion, this according to the Sporting Goods Manufacturers Association. At the same time, U.S. suppliers are enjoying unprecedented demand in the international markets. There is stronger demand in Europe for running shoes than in the U.S., but thus far the walking shoe market has not caught on overseas.

In 1987, Reebok International Ltd., Canton, MA, purchased Avia as well as Frye shoes. The purchase of Frye allowed Reebok to enter the casual footwear business. Due to strong sales in its Avia and Frye lines (as well as its existing Reebok and Rockport lines), Reebok had a total sales gain of 51.1% and a 25.0% gain in net earnings.

L.A. Gear had less than one-tenth of Reebok's sales, but recorded the strongest percentage earnings growth among publicity held resources. Its net soared 250.4%. Some observers predict that L.A. Gear's 1988 sales will exceed $170 million. Nike, whose fiscal year ended 5/31, posted a 39.4% drop in earnings as sales declined 17.9%. But Nike produced a stunning turnaround with a 216.9% gain in net earnings brought on by its Air Nike line and its "Revolution" ad campaign.

EXPENDITURES FOR R&D, TECHNOLOGICAL IMPROVEMENTS

The Census Bureau has reported that total spending for new plants and additions by the U.S. footwear industry amounted to $10.3 million in 1986, which was 25% below the 1985 total. Spending for new machinery and equipment, declined 32% to total 32.7 million in 1986. Most of the increase was within the men's nonrubber footwear segment.

New Plant & Equipment Expenditures: 1985, 1986
(Millions of dollars)

	Buildings & Structures		New Machinery & Equipment	
	1986	1985(r)	1986	1985(r)
Footwear industry:				
Rubber/plastics footwear	$ 0.4	$ 0.6	$ 5.9	$ 7.8
House slippers	1.9	0.7	4.1	3.5
Nonrubber footwear:	9.9	13.1	31.8	40.2
Men's	4.3	7.6	11.9	21.3
Women's	3.3	2.5	10.5	9.8
Other	0.4	2.3	5.3	5.6
Total	$10.3	$13.7	$32.7	$48.0

(r) revised

Source: U.S. Bureau of the Census: Annual Survey's of Manufactures

NATIONAL ADVERTISING EXPENDITURES

In its Leading National Advertisers report, the Publishers Information Bureau details spending on consumer magazine advertising space by footwear companies. Annual data for 1987 is compared with 1986 data below. The PIB breaks down expenditures for footwear advertising into two classifications--"Shoes and Boots (Regular & Casual)" and "Sport & Protective Footwear", including men's, women's and children's.

Selected Footwear Advertisers' Spending For Space in Consumer Magazines On Shoes and Boots (Regular & Casual): 1986, 1987
(In millions of dollars)

	Space Costs ($000)	
	1987	1986
Timberland Co.	$ 2,491.0	1,922.3
Rockport	See Reebok on following chart	1,655.3
Brown Group	2,464.6	1,633.1
Stride Rite	1,067.3	1,335.4
Bally	1,127.8	1,086.5
Espirit De Corp	208.1	678.3
Wolverine	2,701.1	657.9
Interco	1,703.3	482.0
U.S. Shoe Corp	1,392.1	1,461.6

Source: Publisher's Information Bureau

NATIONAL ADVERTISING EXPENDITURES

Selected Footwear Advertisers' Spending For Space in Consumers Magazines On Sport and Protective Footwear 1986, 1987

(In millions of dollars)

	Space Costs ($000)	
	1987	1986
Reebok	$12,784.7*	$ 7,545.2
Nike	5,993.3	5,326.9
Converse	1,800.6	1,526.3
Avia	--	1,406.2
Pony	751.7	1,112.5
Autry	362.6	2,345.1

* Includes Avia and Rockport

Source: Publishers Information Bureau

Accoring to the PIB total advertising for regular and casual footwear totaled $29.1 million in 1987, up from 10.7%, from $26.2 million in 1986. In 1987, consumer magazine advertsing for sport and protective footwear totaled $37.8 million, up 4.6% from 36.1 million the previous year. Total footwear spending in consumer magazines in 1987 increased 7.5% to reach over $67 million.

For the first nine months of 1988, spending for regular and casual footwear was up 19.5% over the same period in 1987, to $25.1 million. Magazine advertising for sport footwear totaled $36.6 million, up 16.7%, over the $31.4 million spent in 1987.

In their September 26th issue (1988), Advertising Age reported that in 1987 Reebok's total advertising budget was $70 million, $44 million for the Reebok brand, of which the "UBU" TV campaign amounted to $38 million. In contrast, Nike spent $34 million in advertising in 1987 and will spend $45 million in 1989.

Converse's Energy Wave technology will be supported by $10 million in promotions in 1989 and will be the central thrust of its performance lines. L.A. Gear will spend $20 million on advertising (Footwear News, 10/24/88) in 1989, for total exposure of the company on many fronts. Ryka, Inc. will allocate $500,000 to promote its new Nitrogen ES shoe technology.

According to the Newspaper Advertising Bureau, total retail advertising by shoe stores in 1987 totaled $83.8 million, down 6.7% from $89.9 million spent in 1986.

PRODUCTION IN THE U.S.

The U.S. Bureau of the Census compiles monthly and annual information on U.S. production and shipments of footwear based on a sample survey of all known manufacturers. The monthly reports are based on a sample of approximately 250 establishments accounting for 90.0% of total U.S. output of footwear as of 1983. The annual report covers all known manufacturers of footwear--approximately 350 firms. The reports include manufacturers that cut footwear in the U.S., ship to a foreign country included in the Caribbean Basin Initiative for assembly, then ship back to the U.S. under the special imports category referred to as Item 807 of the U.S. Tariff Schedules.

PRODUCTION IN THE U.S.

In the first eight months of 1988, U.S. production of all types of nonrubber footwear fell 7.6% below production in the same 1987 period. The growth in consumer demand for sneakers was reflected in a 21.4% increase in production of footwear with rubber or plastic soles and fabric uppers.

Production of Footwear in the U.S.: January-August 1988

	Thous. of Pairs	% Change: Jan.-Aug. 1988/1987
Total, all types of footwear	196.4	- 0.8%
Nonrubber footwear, total	140.4	- 7.6
Men's	36.2	+ 1.4
Women's	45.4	-15.3
Juvenile	19.5	- 4.4
Athletic	4.4	-19.3
Other (ballet, theatrical, etc., and type not specified)	2.3	+126.4
Slippers	32.2	-13.5
Rubber/plastic sole, fabric upper, total	56.2	+24.7
Rubber/plastic protective footwear	10.3	+36.6

Source: U.S. Bureau of the Census: Current Industrial Reports, MA31A

In the year 1987, U.S. manufacturers produced 281,760 thousand pairs of footwear of all types; except protective footwear, which was 1.7 percent below the 1986 total. This followed a decline of 6.4% in production in 1986 compared with 1985.

Production of nonrubber footwear in 1987 totaled 225,888 thousand pairs, about 7% below the 1986 level, and following a 9.0% decrease the previous year.

Almost all major types of U.S. footwear registered declines in production last year except men's boots. However, cuts were particularly sharp in women's footwear, in which large inventories had accumulated at the wholesale and retail level.

Production in the U.S. of all types of athletic shoes fell more than 14% compared with 1986. Output of rubber-soled/fabric upper footwear turned up about 24% in 1987, expanding the gains which began in 1986.

PRODUCTION IN THE U.S.

By Type of Footwear

U.S. Production of Footwear By Type: 1984, 1986, 1987
(Thousands of pairs)

				% Change	
	1987	1986(r)	1984	1987/86	1987/84
Footwear, total (nonrubber & rubber/plastic not including protective footwear)	281,760	286,719	365,999	- 1.7%	- 23.0%
Nonrubber footwear, total	225,888	241,932	303,174	- 6.6	- 25.5
Shoes, athletic footwear, boots	170,340	185,006	243,759	- 7.9	- 30.1
Men's (except athletic)	53,984	57,967	72,273	- 6.9	- 6.9
Dress & casual shoes	32,290	33,838	43,273	- 4.6	- 4.6
Boots, dress & casual	2,810	4,068	10,238	- 30.9	- 72.6
Western style boots	6,791	4,864	7,297	+ 39.6	- 6.9
Work oxfords	3,207	2,700	3,675	+ 18.8	+ 18.8
Steel toes	na	--	882	--	--
Work boots	8,886	12,497	14,896	- 28.9	- 40.3
Steel toes	--	3,499	4,606	--	--
Type not specified	na	na	191	--	--
Youths' & boys' (except athletic)	2,427	3,352	6,669	- 27.6	- 63.6
Boots	nr	na	172	--	--
Women's (except athletic)	79,908	82,373	113,282	- 3.0	- 29.5
Sandals	5,419	8,140	13,673	- 33.4	- 60.4
Dress & casual, except sandals	67,749	68,396	91,706	- 0.9	- 26.1
Uniform duty shoes	1,173	132	48	+788.6	2,343.8
Boots, ankle height or higher	5,567	5,704	7,855	- 2.4	- 29.1
Western sytle boots	na	na	578	--	--
Misses' (except athletic)	3,478	3,717	4,880	- 6.4	- 28.7
Boots	na	na	91	--	--
Children's (except athletic)	6,209	5,650	9,414	+ 9.9	- 34.0
Boots	--	--	629	--	--
Infants' & babies' shoes	13,957	19,627	19,886	- 28.9	- 29.8
Athletic shoes	8,017	9,350	12,760	- 14.3	- 37.2
By type:					
Court shoes	na	na	1,862	--	--
Running or jogging shoes	na	na	4,733	--	--
Cleated shoes except golf	na	na	9	--	--
All other	na	na	6,156	--	--
By sex:					
Men's	na	4,089	5,796	--	--
Women's	na	2,617	3,496	--	--
Youth's, children's	na	2,644	3,468	--	--
All other nonrubber footwear (ballet slippers, etc.)	2,360	2,971	4,595	- 20.6	- 48.6

(continued)

PRODUCTION IN THE U.S.

By Type of Footwear (continued)

U.S. Production of Footwear By Type: 1984, 1986, 1987
(Thousands of pairs)
(continued)

	1987	1986(r)	1984	% Change 1987/86	% Change 1987/84
Slippers	55,548	55,926	59,415	- 0.7	- 6.5
Men's, youths', boys'	5,582	5,796	9,269	- 3.7	- 39.8
Women's, misses'	46,376	46,284	44,589	+ 0.2	+ 4.0
Children's, infants'	3,590	3,846	5,557	- 6.7	- 35.4
Rubber/plastics footwear (fabric upper), total (excl. protective)	56,670	45,787	62,825	+ 24.0	- 9.7
Espadrilles	(D)	(D)	1,263	--	--
Fabric upper cement process	(D)	(D)	5,389	--	--
All other fabric upper shoes	65,939	54,229	56,173	+ 21.6	+ 17.4
Vulcanized	11,804	10,461	12,617	+ 12.8	- 6.4
Other, incl. injection molded	54,135	43,768	43,556	+ 23.7	+ 24.3

U.S. Production of Rubber & Plastic Protective Footwear: 1984, 1986, 1987
(Thousands of pairs)

	1987	1986	1984	% Change 1987/86	% Change 1987/84
Protective footwear, total	12,528	12,160	17,518	+ 3.0%	- 28.4%
Rubber upper protective footwear	7,615	6,788	9,331	+ 12.1	- 18.4
Boots	3,773	2,834	3,560	+ 33.1	+ 6.0
Lumberman & pacs	1,120	1,048	(D)	+ 6.8	--
Arctics & gaiters	1,312	1,455	2,379	- 9.8	- 44.9
Light & heavy rubbers	1,410	1,451	(D)	- 2.8	--
Plastic upper protective footwear	4,005	4,254	5,138	- 5.8	- 22.1
Slush molded	(D)	1,515	2,811	--	--
Injection molded	2,097	2,739	2,329	- 23.4	- 10.0
Fabric upper protective footwear, rubber/plastic sole	908	1,118	3,047	- 18.7	- 70.2

na not available   nr not reported
(r) revised
(D) Data withheld to avoid disclosure for individual companies

Source: U.S. Bureau of the Census:
Current Industrial Reports MA31A

PRODUCTION IN THE U.S.

Seasonal Pattern in Production

Percent of Year's Total Production of Nonrubber Footwear (Shoes & Slippers) by U.S. Manufacturers, by Months: 1987

	Nonrubber Footwear Total*	Men's Except Athletic	Women's Except Athletic	Juvenile	Athletic	Slippers
Total, thousands of pairs	225,888	53,984	79,908	22,593	8,017	55,548
Percent	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
January	7.9	7.6	8.4	8.0	9.0	6.9
February	8.3	8.5	8.5	8.7	9.5	7.4
March	9.0	8.5	8.7	9.7	9.5	9.6
April	8.8	8.4	8.8	9.3	7.9	8.7
May	8.5	8.2	8.2	8.3	11.2	8.9
June	9.0	8.8	8.4	9.2	8.3	10.1
July	7.0	7.2	7.0	7.4	6.5	6.5
August	8.9	8.8	9.0	8.7	9.8	8.9
September	9.1	9.1	9.3	7.9	8.2	9.7
October	9.0	9.0	9.0	8.4	7.2	9.7
November	8.0	8.1	7.9	7.3	6.3	8.6
December	6.5	7.8	6.8	7.1	6.6	5.0

* Includes other nonrubber footwear not separately reported.

Source: Based on U.S. Bureau of the Census:
Current Industrial Reports MA31A-(87)-1

Leading States

In 1987, Missouri again was the state reporting the largest production of nonrubber footwear, accounting for 12.7% of the total vs. 10.8% for Pennsylvania. Yet, with production up just 12%, Missouri was not the leader in production increases. That honor fell to New Hampshire which reported a 62.7% increase; the largest increase among all the states.

Production of Nonrubber Footwear in Leading States: 1984, 1986, 1987
(Thousands of pairs)

	1987	1986(r)	1984	% Change 1987/86	% Change 1987/84
U.S. total*	225,888	240,932	303,174	- 6.2%	- 25.5%
Arkansas	11,659	10,602	11,915	+ 10.0	- 2.1
California	2,936	4,959	7,027	- 40.8	- 58.2
Florida	7,966	9,946	12,577	- 19.9	- 36.7
Georgia	3,460	3,404	3,680	+ 1.6	- 6.0
Illinois	2,381	4,840	5,113	- 50.8	- 53.4
Maine	18,908	17,621	34,194	+ 7.3	- 44.7

(continued)

PRODUCTION IN THE U.S.

Leading States (continued)

Production of Nonrubber Footwear in Leading States: 1984, 1986, 1987
(Thousands of pairs)

	1987	1986(r)	1984	% Change 1987/86	% Change 1987/84
Massachusetts	10,561	14,073	18,472	- 25.0	- 42.8
Missouri	28,767	28,177	35,660	+ 2.1	- 19.3
New Hampshire	12,166	7,475	11,502	+ 62.8	+ 5.8
New York	13,906	12,505	20,665	+ 11.2	- 32.7
North Carolina	4,546	4,989	6,644	- 8.9	- 31.6
Ohio	7,670	8,649	nr	- 11.3	--
Pennsylvania	24,440	24,247	38,552	+ 0.8	- 36.6
Tennessee	14,168	12,363	21,098	+ 14.6	- 32.8
Texas	(D)	(D)	15,961	--	--
Wisconsin	5,981	6,126	7,430	- 2.4	- 19.5

* Includes states not separately listed.
(r) revised nr not reported

Source: U.S. Bureau of the Census:
Current Industrial Reports MA31A

Materials

Within the nonrubber footwear industry overall production of types with leather uppers increased from 53.8% in 1986 to 54.6% in 1987, according to the Census Bureau. Consumption was up, however, with imports accounting for the rise. They represented 34.1% of total new supply of footwear in 1987 vs. 35.5% in 1986, according to the Census Bureau.

Nonrubber Footwear Production in the U.S.
Total & Footwear with Leather Uppers: 1986, 1987
(Thousands of pairs)

	1987			1986		
		With Leather Uppers			With Leather Uppers	
	Total	Pairs	% of Total	Total	Pairs	% of Total
Nonrubber shoes & slippers, total	225,888	121.5	54.6%	241,388	129,872	53.8%
Shoes*	170,340	na	--	185,461	126,579	68.2
Men's (except athletic)	153,984	na	--	58,118	53,226	91.6
Women's (except athletic)	79,908	na	--	82,532	51,626	62.5
Athletic	8,017	402.5	50.2	9,350	4,307	46.1
Slippers	55,548	na	--	55,927	3,293	5.9

na not available
* Includes shoe types not separately listed.

Source: Based on U.S. Census Bureau reports

PRODUCTION

Materials (continued)

Of total shipments of shoes by U.S. manufacturers in 1987, 25% had rubber or plastic soles with fabric uppers. The comparable share of the total in 1986 was 24%.

The total new supply of footwear in the U.S., including U.S. production less exports plus imports for consumption last year, totaled 1,351,625 pairs. of which 84.5% were nonrubber shoes and slippers.

Total New Supply (Apparent Consumption) of Footwear
By Major Material Type: 1986, 1987
(Thousands of pairs)

	1987 Pairs	1987 Percent	1986 Pairs(r)	1986 Percent(r)
Total footwear	1,351,625	100.0%	1,347,655	100.0%
Nonrubber shoes & slippers	1,142,369	84.5	1,168,834	86.7
Leather footwear	na	na	605,316	44.9
All other footwear	na	na	563,518	41.8
Footwear with rubber/plastic soles/ fabric uppers	187,890	13.9	156,029	11.6
Rubber and plastic protective footwear	21,366	1.5	22,336	1.7

(r) revised

Source: Based on U.S. Census Bureau reports

PRODUCT SHIPMENTS

In contrast with the value of "Industry Shipments", which have been covered in the section on GENERAL INDUSTRY STATISTICS, and defined on page 5, product shipments cover the value of specific products made by all manufacturing establishments with payroll, including those classified in the footwear industry (which are primary producers) and those classified in other industries (secondary producers).

The complete census of manufactures compiled every five years by the U.S. Bureau of the Census includes information on product shipments by all U.S. manufacturing establishments with payroll. The most recent census data is for the year 1982. Comparable figures for intercensal periods are compiled by the Census Bureau through annual surveys (ASM) among a sample of manufacturers in the U.S. Based on both reports, the U.S. International Trade Administration compiles industry estimates and projections, published in the annual U.S. Industrial Outlook, in terms of both current and constant dollars.

PRODUCT SHIPMENTS

Recent Performance & Forecast on Footwear Shipments By All U.S. Producers & Trade Data

NONRUBBER FOOTWEAR	Compound Annual Rate of Change 1972 1985	1980 1985	Annual Percent Change 1985/ 1986	1986/ 1987*	1988/ 1987**
Value of product shipments (current dollars):					
Total	+ 2.1	- 3.0	- 9.3%	+ 2.7%	--
House slippers	+ 2.3	- 7.8	+13.0	-25.9	--
Men's footwear	+ 3.6	0	- 5.8	+ 2.9	--
Women's footwear	+ 0.9	- 3.6	-14.3	+ 5.1	--
Footwear, nec***	+ 0.6	- 8.0	-16.4	+10.4	--
(constant 1982$):					
Total	- 3.7	- 5.1	-11.4	+ 1.1	+ 3.1%
House slippers	- 2.9	- 8.7	+ 5.7	-29.4	+ 2.6
Men's footwear	- 3.1	- 2.5	- 8.8	+ 0.2	+ 3.0
Women's footwear	- 4.3	- 5.6	-15.1	+ 5.6	+ 3.5
Footwear, nec***	- 4.2	- 9.6	-17.3	+ 7.9	+ 2.5
Quantity shipped					
Total	- 5.5	- 6.9	- 9.6	- 3.7	+ 3.0
House slippers	- 4.4	- 5.0	+ 5.8	-29.4	+ 2.2
Men's footwear	- 5.0	- 6.6	- 8.8	+ 0.2	+ 3.0
Women's footwear	- 5.9	- 7.2	-15.1	+ 5.6	+ 3.4
Footwear, nec***	- 6.2	- 8.2	-17.4	+ 7.9	+ 2.7
Trade Data					
Value of imports	+17.7	+19.4	+13.8	+ 8.8	--
Import/new supply ratio**	+ 9.7	+12.4	+ 9.5	+ 2.3	--
Quantity of imports	+ 8.4	+18.2	+11.6	+ 3.6	--
Value of exports	+19.6	- 2.3	+18.1	+39.8	--
Export/shipment ratio	+17.3	+ 0.9	+33.3	+34.4	--
Quantity of exports	+13.0	- 2.8	+10.6	+16.0	--
RUBBER/PLASTICS FOOTWEAR					
Value of product shipments					
Current $	+ 0.8	+ 1.7	- 6.4	- 6.3	--
Constant 1982$	- 3.3	+ 0.2	- 6.9	- 7.0	--
Trade Data					
Value of imports	+ 0.2	-11.5	+ 4.6	--	--
Import/new supply ratio	- 0.4	- 8.0	+ 7.5	--	--
Value of exports	+17.2	-10.2	+24.5	--	--
Export/shipment ratio	+15.7	-11.6	+35.0	--	--

* estimated

** forecast

***nec not elsewhere classified. Includes juvenile footwear, athletic footwear, moccasins, orthopedic shoes, novelty footwear, wooden shoes, etc.

Source: U.S. Department of Commerce, International Trade Administration: 1988 U.S. Industrial Outlook

PRODUCT SHIPMENTS

In the first eight months of 1988, U.S. manufacturers shipped 140.4 million pairs of nonrubber footwear, valued at $2.5 billion at the plant level. These figures represented a decline of 0.5% in quantity and a 15.5% increase in value compared with the same period in 1987.

Shipments of Footwear: January-August 1988
By U.S. Manufacturers
(In thousands)

	Pairs	Value	% Change: Jan.-Aug. 1988/1987 Pairs	% Change: Jan.-Aug. 1988/1987 Value
Total, all types of footwear	206.8	2,951.8	+ 0.5%	+ 15.5%
Nonrubber footwear	140.4	2,518.4	- 7.6	+ 14.6
Footwear with rubber/plastic soles/fabric uppers	56.0	341.2	+ 21.4	+ 32.7
Rubber and plastic protective footwear	10.4	92.2	+ 36.5	- 7.7

Source: U.S. Bureau of the Census: *Current Industrial Reports* MA31A

The value of U.S. manufacturers' shipments of footwear of all types in 1987, registered a decline of 1.8% compared with 1986, while the quantity shipped was off (-3.7%). Shipments of nonrubber footwear as a whole declined -8.0 in quantity, 2.4% in value, with most types registering declines, particularly women's footwear. Children's reversed the trend by gaining 15% in shipments, and 17% in value.

Quantity & Value of Shipments of Footwear By All Producers: 1986, 1987
By Type of Footwear

	Pairs (thous.) 1987	Pairs (thous.) 1986(r)	Value (mil. $) 1987	Value (mil. $) 1986(r)	% Change 1987/86 Pairs	% Change 1987/86 Value
Footwear, total	302,971	314,747	$3,939.4	$4,012.9	- 3.7%	- 1.8%
Nonrubber footwear	224,252	243,847	3,485.7	3,573.1	- 8.0	- 2.4
Shoes	170,039	185,607	3,286.0	3,397.3	- 8.3	- 3.2
Men's (except athletic)	55,712	59,080	1,630.9	1,727.1	- 5.7	- 5.5
Dress & casual	32,774	34,892	807.0	833.9	- 6.0	- 3.8
Boots, dress & casual, including western	9,714	8,445	417.7	380.3	+15.0	+ 9.8
Workshoes & boots (incl. oxford)	13,224	15,743	411.1	512.8	-16.0	-19.8
Youths' & boys' (exc. athletic)	2,387	2,893	27.0	32.7	-17.4	-17.4
Women's (except athletic)	78,529	82,354	1,341.1	1,304.9	- 4.6	+ 2.7
Sandals	4,912	8,248	70.1	103.9	-40.4	-32.5
Dress & casual, except sandals	68,070	68,029	1,120.1	1,053.1	- 0.06	+ 6.3
Boots (ankle height or higher)	5,547	6,077	150.7	147.8	- 8.7	+ 1.9

(continued)

PRODUCT SHIPMENTS

Quantity & Value of Shipments of Footwear By All Producers: 1986, 1987
By Type of Footwear
(continued)

	Pairs (thous.)		Value (mil. $)		% Change 1987/86	
	1987	1986(r)	1987	1986	Pairs	Value
Misses' shoes & boots (except athletic)	3,293	3,530	37.0	40.1	- 6.7%	- 7.7%
Children's shoes & boots (except athletic)	6,113	5,334	65.8	56.1	+14.6	+17.2
Infants' & babies' shoes	13,775	19,886	82.0	86.6	-30.7	- 5.3
Athletic footwear	8,095	9,479	88.9	123.8	-14.6	-28.1
All other	2,135	3,051	13.1	25.6	-30.0	-48.8
Slippers	54,213	58,240	199.7	175.8	- 6.9	+13.5
Men's, youths', boys'	4,984	6,053	28.6	36.2	-17.6	-20.9
Women's & misses'	44,962	47,261	16.6	130.6	- 4.8	+23.7
Children's, infants'	4,267	4,926	9.4	8.9	-13.3	+ 5.6
Rubber/plastic footwear						
Rubber/plastic soles/fabric upper shoes, total	66,982	59,074	339.5	325.7	+13.3	+ 4.2
Protective footwear	11,737	11,826	114.1	113.9	- 0.7	+ 0.1
Rubber upper	6,866	6,502	80.1	75.4	+ 5.5	+ 6.2
Boots	3,066	2,457	37.3	31.6	+24.7	+18.0
Lumberman & pacs	1,057	1,013	20.4	19.1	+ 4.3	+ 6.8
Arctics & gaiters	1,296	1,512	11.8	13.8	-14.2	-14.4
Rubbers, light & heavy	1,447	1,520	10.5	10.8	- 4.8	- 2.7
Plastic upper	4,211	4,118	26.0	25.6	+ 2.2	+ 1.5
Slush molded	(D)	1,303	(D)	9.8	—	—
Injection molded	2,452	2,815	11.6	15.7	-12.8	-26.1
Fabric upper	660	1,206	1.1	12.9	-45.2	-91.4

(D) Data withheld to avoid disclosure for individual companies.
(r) revised
Note: Percentages are calculated on unrounded totals.

Source: U.S. Bureau of the Census:
Current Industrial Reports MA31A

PRODUCER (FACTORY) PRICES

In 1987, the average value per pair of nonrubber footwear at the factory level in the U.S. was $16.43; 12.1% higher than the $14.65 averaged in 1986.

The average value per pair of new supply in 1987, including domestic and imports was $8.41; for imports, alone, the value averaged $7.32 per pair of nonrubber footwear. In the first eight months of 1988 the average value of domestic footwear was $17.67; the average value was $8.22 for imports.

PRODUCER (FACTORY) PRICES

Producer (U.S. Factory) Price Indexes: 1987, First Eight Months of 1988
Percent Change August 1988/August 1987
(1982 = 100)

	Cattle-Hides	All Leathers	Nonrubber Footwear Total	Men's	Women's	Children's	Rubber/Plastic Footwear
Annual avg. 1987	120.4	140.9	109.4	111.8	107.4	109.2	111.7
1st 8 mos. 1988	199.0	166.2	116.0	120.3	112.3	116.6	115.3
% change Aug. 88/87	+ 8.6%	+17.9%	+ 5.2%	+ 6.5%	+ 4.0%	+ 5.7%	+ 3.0%

Source: U.S. Department of Labor, Bureau of Labor Statistics

In the month of August 1988, U.S. factory prices for nonrubber footwear were 5.2% higher than in the same period a year ago, with the sharpest rise (+5.7%) noted for children's footwear according to the Labor Department. Detailed figures are reported for August in the table below.

For the year 1987, the producer price index on all nonrubber footwear was up 9.4% compared with the 1982 average. Men's styles were up almost 11.8%; women's 7.4%. Rubber/plastic footwear prices last year averaged almost 11.7% above 1982.

Producer (Factory) Prices For Specific Types of Footwear:
August, 1988 & Annual Average 1987
(1982 = 100)

	Index Base Period	Month of Aug. 1988	Annual Average 1987	% Change August 1988/87
Footwear, nonrubber		116.0	109.4	+ 5.2%
Men's footwear		120.3	111.8	+ 6.4
Men's leather upper footwear		121.7	112.8	+ 6.5
Dress & casual shoes		122.4	111.4	+ 8.3
Boots		111.1	107.9	+ 1.8
Work shoes/boots		127.8	118.1	+ 7.0
Slippers (except slipper socks)	June/85	na	117.0	na
Men's non-leather upper footwear	June/83	107.6	92.3	+ na

(continued)

Producer (Factory) Prices For Specific Types of Footwear: August 1988 & Annual Averages 1987
(1982 = 100)
(continued)

	Index Base Period	Month of Aug. 1987	Annual Average 1987	% Change August 1988/87
Women's footwear		112.3	107.4	+ 4.0
Women's leather upper footwear		113.7	107.2	+ 5.8
Dress shoes		112.4	112.0	+ 0.7
Casual shoes		122.9	114.0	+ 7.7
Slippers (except slipper socks)	June/85	na	116.0	na
Sandals		na	82.4	na
Boots		108.5	103.3	+ 4.1
Women's plastic upper footwear		107.2	104.9	+ 1.2
Dress shoes		103.3	102.6	+ 2.8
Casual shoes		105.3	101.0	+ 2.0
Other nonleather upper		125.0	120.8	+ 2.0
Casual shoes		104.5	103.3	+ 0.9
Slippers (except slipper socks)	June/85	117.6	113.2	+ 1.3
Children's footwear (sizes 8 1/2-12)		116.6	109.2	+ 5.7
Leather upper footwear		121.2	111.7	+ 7.5
Misses' footwear (sizes 12 1/2-2 1/2)		114.2	105.8	+ 6.8
Nonleather		114.4	107.4	+ 4.4
Youths', boys' footwear (sizes 12 1/2-6)		115.2	109.6	+ 4.8
Infants', babies' footwear (sizes 1-8)		118.6	107.5	+ 9.3
Athletic footwear		110.1	108.2	+ 1.9
Footwear designed for sports		na	112.6	na
Footwear rubber/plastics		115.3	109.9	+ 3.0
Protective footwear		116.6	113.7	+ 3.1
Fabric upper:				
Men's Women's, misses'	Dec/86	104.6	101.2	+ 3.0

na not available

Source: U.S. Department of Labor,
Bureau of Labor Statistics

PRODUCER (FACTORY) PRICES

Import Prices

The BLS compiles quarterly indexes on prices of imported footwear, including cost, insurance, freight (c.i.f.). Due in large part to the decline in the value of the U.S. dollar, particularly affecting European suppliers of footwear, and more recently suppliers in Asia, the price level of imported nonrubber and rubber/plastics footwear as of September 1988 averaged 7.6% above the level a year earlier, and 1.2% below the June 1988 index.

Footwear Import Price Indexes, September 1987/September 1988

Index (1987 = 100)		Percent Change				
June 1988	Sept. 1988	Sept. 1988/ Sept. 1987	Sept. 87 Dec. 87	Dec. 87/ Mar. 88	Mar. 1988/ June 1988	June 1988/ Sept. 1988
129.6	128.0	+ 7.6%	+ 4.5%	+ 0.9%	+ 3.3%	- 1.2%

Source: U.S. Department of Labor, Bureau of Labor Statistics

MARKET SUPPLY

The U.S. Census Bureau compiles monthly and annual figures on total new supply of footwear in the domestic market--including U.S. production less exports plus imports. The resulting total is designated "apparent consumption" in official reports.

The level of new supply in 1987 of all types of footwear stood at 1,351.6 million pairs, a gain of 29% over the 1,045.0 million pairs reported for the year 1982. Of the 1987 total, U.S. production accounted for 22.4%; imports, 78.9%. In 1982, U.S. production represented 44.6% of supply; imports, 56.4%.

New supply of nonrubber footwear amounted to 1,142.3 million pairs in 1987, up 37.6% over the 1982 total of 829.8 million. Imports accounted for 80.2% last year vs. 58% in 1982.

The new supply of rubber/plastic sole, fabric upper footwear and of protective footwear fell below the 1982 level last year -- the former down 1.4%, the latter off 13.2%.

Summary of New Supply (Apparent Consumption) of Footwear: 1982, 1987
(Quantity in thousands of pairs; value in millions of dollars)

QUANTITY	Domestic Production	Exports	Imports	Supply
Total footwear				
1987	307,704	22,712	1,066,633	1,351,625
1982	465,923	10,616	589,676	1,044,983
Nonrubber shoes & slippers				
1987	225,888	21,004	937,485	1,142,369
1982	359,107	8,863	479,541	829,785

(continued)

Summary of New Supply (Apparent Consumption) of Footwear: 1982, 1987
(Quantity in thousands of pairs; value in millions of dollars)
(continued)

QUANTITY	Domestic Production	Exports	Imports	Supply
Nonrubber shoes & slippers				
Leather footwear				
1987	na	3,455	461,340	na
1982	196,272	3,557	214,445	407,160
Other nonrubber footwear				
1987	na	17,549	211,810	na
1982	162,835	5,306	265,096	422,525
Rubber/plastic footwear:				
Rubber/plastic soled/ fabric uppers				
1987	69,288	924	119,526	187,890
1982	92,896	1,367	99,032	190,561
Protective footwear				
1987	12,528	784	9,622	21,366
1982	13,920	386	11,103	24,637

VALUE	Shipments (f.o.b. plant)	Exports (value at port)	Imports (Value*)	Supply
Total footwear				
1987	$ 3,939.5	$ 186.0	$ 7,618.8	$ 11,372.3
1982	5,464.0	119.5	4,056.0	9,401.1
Nonrubber shoes & slippers				
1987	3,485.8	171.5	7,248.0	10,562.3
1982	4,802.3	101.3	3,555.3	8,256.3
Rubber/plastic footwear:				
Rubber/plastic soled/ fabric uppers				
1987	339.6	10.7	319.4	648.3
1982	540.7	14.2	419.2	945.7
Protective footwear				
1987	114.1	3.8	51.4	161.7
1982	121.0	4.9	82.1	199.1

* The value represents the c.i.f. (cost, insurance and freight value at first port of entry in the U.S.) plus U.S. import duties. Covers footwear imported for consumption in the U.S. Item 807 imports are included in U.S. production and shipments, and in imports.

Source: U.S. Bureau of the Census, Current Industrial Reports MA31A (87-1)

MARKET SUPPLY

Per capita supply of nonrubber footwear in the U.S. slipped to 4.78 pairs in 1987 from 4.86 pairs in 1986, according to the F.I.A. Fashion importance, and fast-changes in fashion, lead to the highest per capita supply centered in women's/misses' styles.

Nonrubber Footwear Supply Per Capita By Product Class: 1986-1987
(Based on age rather than size)

	1987	1986
Men's/boys' (age 10 and over)	2.03	2.05
Women's, girls' (age 10 and over)	5.42	5.43
Children, infants' (age 9 and under)	2.33	2.46
Athletic	0.92	1.00
Slippers & other	0.29	0.30
Total*	4.73	4.86

* Exports are excluded from total only.

Source: F.I.A. based on U.S. Census Bureau data.

FOREIGN TRADE

Exports of nonrubber footwear totaled 22.7 million pairs in 1987, up from 14.0 million in 1986. In the first eight months of 1988, exports were up 52.2% in quantity, totaling 10.6 million pairs compared with 6.9 million in the same 1987 period. The growth is attributed to the decline in the dollar.

In 1987, 122.6 million pairs of fabric-upper footwear with rubber or plastic soles were imported; they represented 64.5% of the domestic supply. Imports' share in the first eight months of 1988 was 66.4%.

Summary of Foreign Trade Trends in Footwear
(Based on Quantity)

		Percent Change From Year-Earlier Period			
	% of Imports to New Supply	Domestic Production	Imports	Exports	Supply
Nonrubber footwear					
Year:					
1982	58%	- 3%	+ 28%	- 21%	+ 13%
1984	71	-11	+ 25	+ 19	+ 12
1985	77	-13	+ 16	+ 28	+ 7
1986	80	- 9	+ 12	+ 10	+ 7
1987(p) year	82	- 8	- 0 -	+ 19	- 2
1st quarter	83	-14	- 4	- 9	- 6
2nd quarter	82	- 3	+ 12	- 9	+ 9
1988(p)					
1st quarter	83	- 4	- 6	+ 14	- 5
2nd quarter	83	- 9	- 7	+ 59	- 9

(continued)

Summary of Foreign Trade Trends in Footwear
(Based on Quantity)
(continued)

	% of Imports to New Supply	Percent Change From Year-Earlier Period			
		Domestic Production	Imports	Exports	Supply
Rubber/plastic soles, fabric upper footwear					
Year:					
1982	52	- 3	- 29	- 0 -	- 18
1984	64	-20	+ 5	- 8	- 6
1985	61	-12	- 21	- 27	- 18
1986(r)	64	+22	+ 17	+ 25	+ 12
1987(p)	63	+22	+ 21	- 20	+ 21
1st quarter	67	+13	+ 12	+ 50	+ 12
2nd quarter	62	+30	+ 19	- 50	+ 24
1988(p)					
1st quarter	65	+29	+ 21	- 33	+ 24
2nd quarter	64	+17	+ 28	- 0 -	+ 24

(p) preliminary
(r) revised

Source: U.S. International Trade Commission: Quarterly Statistical Report (September 1988)

Imports

Footwear imports in 1987 amounted to 1.08 billion pairs, up 2.1% over 1986, and were worth $7.2 billion, up 12% over 1986. However, in the first quarter of 1988, the quantity of imports of nonrubber footwear were down 6% compared with the total in the same 1987 period; and in the second quarter of '88, quantity of imports were down 7%, this according to the U.S. International Trade Commission.

Quantity and Value of U.S. Footwear Imports: 1986-1987
(Quantity in millions of pairs; Value in thousands of dollars)

	Pairs		% Change	Customs Value		% Change
	1987	1986	87/86	1987	1986	87/88
Grand Total+	1,079,380.8	1,057,532.9	+ 2.1%	$7,167,358.8	$6,399,063.0	+12.0%
Rubber Total (incl. zories, boots)						
Protective, athletic/ fabric uppers	147,483.8	126,819.2	+16.3	347,470.8	271,604.8	+27.9
Nonrubber Total+	931,897.1	930,713.7	+ 0.1	6,819,888.0	6,127,458.2	+11.3
Men's & Boys, total	257,243.8	256,366.4	+ 0.3	2,351,484.4	2,042,958.3	+15.1
Women's & Misses', total	544,595.7	550,450.1	- 1.1	3,767,799.0	3,466,267.3	+ 8.7
Children's & Infants, total	89,651.2	86,747.2	+ 3.3	337,914.6	311,604.6	+ 8.4
Type not specified, total	40,406.4	37,150.1	+ 8.8	362,689.0	306,601.0	+18.3

(continued)

FOREIGN TRADE

Imports (continued)

Quantity and Value of U.S. Footwear Imports: 1986-1987
(Quantity in millions of pairs; Value in thousands of dollars)
(continued)

	Pairs		% Change	Customs Value		% Change
	1987	1986	87/86	1987	1986	87/88
Dress & Casual Footwear, total	533,136.9	497,668.1	+ 7.1	4,142,792.2	3,570,542.9	+16.0
Leather Uppers, total (n)	287,434.2	286,796.7	+ 0.2	3,131,404.6	2,816,352.0	+11.2
Men's & Boys'	64,792.8	58,964.2	+ 9.9	837,077.7	719,212.6	+21.4
Women's & Children's	218,921.9	225,369.2	- 2.9	2,232,220.4	2,075,175.0	+ 7.6
Others, not specified	3,719.4	2,463.3	+51.0	26,106.5	21,964.4	+18.9
Lined Vinyl Uppers, total (n)	245,702.8	210,871.4	+16.5	1,011,387.6	754,190.9	+34.1
Men's & Boys	34,273.8	32,854.3	+ 4.3	152,572.9	132,618.2	+15.0
Women's & Children's	185,293.9	155,332.3	+19.3	779,370.2	564,084.6	+38.2
Children's & Infants'	26,135.1	22,684.8	+15.2	79,444.4	57,488.1	+38.2
Athletic, total	335,112.3	328,371.2	+ 2.1	2,204,239.9	2,036,601.0	+ 8.2
Leather Uppers, total (n)	156,266.1	175,604.0	-11.0	1,546,138.6	1,496,369.5	+ 3.3
Men's & Boys'	92,819.3	101,230.3	- 8.3	991,515.0	918,518.0	+ 7.9
Women's & Children's	63,317.5	74,100.5	-14.6	551,811.2	573,402.2	- 3.8
Ski Boots	129.3	273.2	-52.7	2,812.4	4,449.3	-36.8
Fabric Uppers, total (r)	119,526.5	99,119.5	+20.6	294,580.8	214,022.9	+37.6
Joggers	9,839.0	10,485.6	- 6.2	47,435.4	42,642.5	+11.2
Sneakers	66,091.1	42,673.9	+54.9	180,386.3	103,748.2	+73.9
Others	43,596.4	45,960.1	- 5.1	66,759.2	67,632.2	- 1.3
Lined Vinyl Uppers, total (n)	59,319.7	53,647.7	+10.6	363,520.4	326,208.6	+11.4
Men's & Boys'	27,164.4	21,475.3	+26.5	140,100.8	103,755.8	+35.0
Women's & Misses'	21,210.3	22,684.0	- 6.5	94,088.8	101,105.9	- 6.9
Children's & Infants'	8,784.5	7,214.4	+31.8	32,585.6	25,126.2	+29.7
Ski boots	2,160.5	2,274.0	- 5.0	96,745.2	96,220.6	+ 0.5
Work Footwear, Leather, total, (n)	11,513.8	10,037.6	+14.7	156,630.8	120,170.8	+30.3
Boots & Protective Footwear, (r)	9,622.0	10,705.0	-10.1	46,898.8	52,410.9	-10.5
Other Footwear, total	189,688.3	214,810.9	-11.7	616,329.1	619,337.5	- 0.5
Unsupported Rubber or Plastic, (n)	86,724.9	117,415.3	-26.1	329,692.7	407,504.8	-19.1
Men's & Boys'	14,519.9	19,932.0	-27.2	60,857.8	76,881.4	-20.8
Women's & Misses'	62,865.6	84,872.5	-25.9	244,263.4	299,407.7	-18.4
Children's & Infants'	9,339.4	12,610.8	-25.9	24,571.4	31,215.7	-21.3
Zories (thonged sandals) (r)	18,335.3	16,994.7	+ 7.9	5,991.1	5,171.0	+15.9
Fiber Uppers (n)	46,297.4	40,760.9	+13.6	129,135.9	99,052.4	+30.4
Wood (n)	94.2	180.5	-47.8	716.9	955.9	-25.0
Others (n)	38,236.5	39,459.5	- 3.1	150,792.6	106,653.3	+41.4

* Customs value is the price paid for the merchandise in country of origin.
+ Excluding disposable footwear and parts.
(n) nonrubber
(r) rubber

Source: Footwear News, July 11, 1988

Imports (continued)

Although Taiwan still stands as the leading source of nonrubber footwear imports, China registered the biggest increase in shipments of nonrubber footwear with quantity up 76.5% and value up 113.0%. If judged by their customs value total, the five leading sources of nonrubber footwear imports for 1987 are an exact copy of the 1986 lineup. they are: Taiwan, $2,338.0, (The) Rebublic of Korea, $1,584.7, Brazil, $919.2; Italy, $845.5 and Spain, $378.3.

Leading Sources of Imports of Nonrubber Footwear: 1987
(Quantity in millions of pairs, Value in millions of $)

			% Change 1987/1986	
	Quantity	Customs Value	Quantity	Customs Value
Total+	937.7	6,862.5	- 0.3%	+ 11.1%
All Other	35.6	334.3	+ 12.6	+ 15.7
Subtotal Top 11 Counties	902.1	6,528.2	- 0.8	+ 10.9
Taiwan	427.0	2,338.0	- 2.3	+ 15.3
Republic of Korea	191.8	1,584.7	+ 5.2	+ 14.6
Brazil	108.2	919.2	- 4.5	+ 13.3
Italy	47.7	845.5	- 26.5	- 6.1
Spain	28.2	378.3	- 17.4	- 7.5
Hong Kong	28.6	121.9	- 6.7	+ 19.2
France	4.4	99.0	- 11.2	+ 1.9
China	47.3	96.8	+ 76.5	+112.9
Mexico	7.1	60.3	+ 79.6	+ 6.8
Yugoslavia	3.8	45.1	- 6.1	+ 7.7
Thailand	7.8	39.5	+ 13.4	+ 18.2

+ Includes disposable footwear and parts

Source: Footwear News, July 11, 1988

Exports

The weaker U.S. dollar has encouraged export growth as U.S. producers find it easier to compete in high-cost developed-country markets. However, a large part of the growth includes exports of partially assembled footwear, particularly slippers, to developing countries where they are finished and re-exported to the U.S. The provisions of Item 807 of the Tariff Code have encouraged this practice.

FOREIGN TRADE

Exports (continued)

Total exports of footwear of all types reached over 22.7 million pairs in 1987, 62% over the 1986 total. Exports of nonrubber footwear (14.7 million pairs) gained 19% over the 1986 total. In value, exports totaled $186 million in 1987 vs. $132 million in 1986.

Footwear Industries of America has compiled information on U.S. exports of footwear not including the non-leather slippers shipped to Mexico for assembly. On this basis, exports in 1987 totaled 418.8 thousand pairs, 164.0% over the total of 158.4 thousand exported in 1986. In the first half of 1988, exports were up 25.5% over 1987.

Our biggest customer for finished nonrubber footwear is Japan, which accounted for 25.6% of the adjusted F.I.A. total in 1987. Japan has quota restrictions in place and duty on footwear imported in excess of quota amounts. Nonrubber footwear exports to Japan were almost 39% for the first 8 months of 1988.

Italy was the U.S.'s second biggest customer for nonrubber footwear last year, accounting for 11.6% of the total and pairage was up 11%. In the first half of 1988 exports to Italy gained almost 71% compared with the total in the same 1987 period. Canada ranked next, and exports to that source were up sharply in the first half of 1988 (+27%). They are expected to continue to grow as import restrictions have been lifted.

RETAIL TRADE

Size of the Potential Market

Market prospects are enhanced by current demogrpahic trends. The fastest growing segment of the population between 1988 and 2005 will be the 35-54 year old age group. This group is the most interested in sports participation, in fitness, and in fashionable footwear; and it is in its prime earning years. As this group grows, sales of athletic footwear are expected to grow.

Currently, the 35-54 year age group represents 24.2% of the U.S. population. By 2005, it is expected to increase to 29.7%.

With the generally accepted income-sensitivity of the sporting goods market, the influx of women into the work force is also aiding the boost in sales. As more and more women join the labor force, the median household income has rising dramatically.

Population Projections: 1988, 1995, 2005
(Middle Series*)

	Number (Thousands)			% Change	Percent Distribution		
	1988	1995	2005	1995/1988	1988	1995	2005
MALE							
Total, all ages	119,390	126,368	134,297	+ 5.8%	100.0%	100.0%	100.0%
Under 5 years	9,740	9,529	8,931	- 2.1	8.1	7.5	6.6
5 to 9 years	9,197	9,895	9,094	+ 7.6	7.7	7.8	6.8
10 to 15 years	9,940	11,465	11,698	+ 15.3	8.3	9.1	8.7
16 years & over	90,513	95,482	104,574	+ 5.5	75.8	75.6	77.9
16 - 19	7,474	6,804	8,058	- 9.0	6.3	5.4	6.0
20 - 34	31,625	29,166	27,416	- 7.8	26.5	23.1	20.4
35 - 54	29,134	36,206	40,769	+ 24.3	24.4	28.6	30.4
55 - 64	10,079	9,865	14,060	- 2.1	8.4	7.8	10.5
65 & over	12,201	13,441	14,271	+ 10.1	10.2	10.6	10.6
Median age (years)	31.1	33.4	36.0	+ 7.4	--	--	--
FEMALE							
Total, all ages	125,911	133,191	141,381	+ 5.7%	100.0%	100.0%	100.0%
Under 5 years	9,289	9,086	8,518	- 2.2	7.4	6.8	6.0
5 to 9 years	8,786	9,443	8,678	+ 7.5	7.0	7.1	6.1
10 to 15 years	9,500	10,954	11,167	+ 15.3	7.5	8.2	7.9
16 years & over	98,337	103,710	113,018	+ 5.5	78.1	77.9	80.0
16 - 19	7,161	6,517	7,707	- 9.0	5.8	4.9	5.5
20 - 34	31,141	28,497	26,706	- 8.5	24.7	21.4	18.9
35 - 54	30,236	37,190	41,249	+ 23.0	24.0	27.9	29.2
55 - 64	11,469	11,059	15,399	- 3.6	9.1	8.3	10.9
65 & over	18,330	20,447	21,957	+ 11.5	14.6	15.3	15.5
Median age (years)	33.6	35.9	39.2	+ 6.8	--	--	--

* Middle in a series of three different projections, each based on alternative assumptions for future fertility, mortality, and net immigration levels. Includes Armed Forces overseas.

Note: Columns may not add to totals shown due to rounding.

Source: U.S. Bureau of the Census: Current Population Reports, Series P-25, No. 952 (May 1984).

Size of the Potential Market (continued)

Population Projections: 1988*, 1995*, 2005*
(Middle Series*)

	Number (Thousands)			% Change	Percent Distribution		
	1988	1995	2005	1995/1988	1988	1995	2005
MALE & FEMALE							
Total, all ages	245,302	259,559	275,677	+ 5.8%	100.0%	100.0%	100.0%
Under 5 years	19,029	18,615	17,449	- 2.2	7.7	7.2	6.3
5 to 9 years	17,983	19,338	17,772	+ 7.5	7.3	7.4	6.5
10 to 15 years	19,440	22,419	22,865	+ 15.3	7.9	8.6	8.3
16 years & over	188,850	199,192	217,590	+ 5.5	77.0	76.7	78.9
16 - 19	14,635	13,321	15,766	- 9.0	6.0	5.1	5.7
20 - 34	62,766	57,663	54,112	- 8.1	25.6	22.2	19.6
35 - 54	59,370	73,396	82,018	+ 23.6	24.2	28.3	29.7
55 - 64	21,548	20,924	29,459	- 2.9	8.8	8.1	10.7
65 & over	30,531	33,888	36,225	+ 11.0	12.4	13.0	13.1
Median age (years)	32.3	34.7	36.0	+ 7.4	--	--	--

* Middle of a series of three different projections, each based on alternative assumption for future fertility, mortality, and net immigration levels. Includes Armed Forces overseas.

Note: Columns may not add to totals shown due to rounding.

Source: U.S. Bureau of the Census; Current Population Reports,
Series P-25, No. 952 (May 1984)

Consumer Expenditures

The Bureau of Economic Analysis, U.S. Department of Commerce, traces the flow of goods and services from source through to the consumer, and reports the supply in terms of a retail value representing personal consumption expenditures. The procedure yields figures higher than sales through retail outlets since it values all goods reaching the consumer, including through other than retail outlets.

Personal consumption expenditures are reported by the BEA in current dollars and in a constant (1982) dollars.

Consumer Expenditures (continued)

Personal Consumption Expenditures for Footwear: 1984-1987
(Billions of dollars)

	1987	1986(r)	1985(r)	1984	% Change 1987/84
Footwear, total					
Current dollars	$ 26.3	$ 24.3	$ 22.9	$ 21.6	+21.7%
Constant (1982) dollars	24.8	23.7	22.2	21.2	+16.9

(r) revised

Source: U.S. Department of Commerce: National Income & Wealth Division, Bureau of Economic Analysis and Survey of Current Business, July 1988

Based on available information, personal consumption expenditures for footwear by wearer classification (sex/age groups) are estimated as follows:

Personal Consumption Expenditures
(Billions of dollars)

	1987	1986	1985
Footwear, total	$26.3	$24.3	$22.5
Men's (16 & over) (e)	8.0	7.5	7.0
Women's (16 & over) (e)	12.9	12.1	11.5
Boys', girls' (e)	5.4	5.0	4.7

(e) estimated

Source: Fairchild Market Research Department; Bureau of Economic Analysis

In order to revise the Consumer Price Index, the Bureau of Labor Statistics is conducting annual surveys on average household (defined as a "consumer unit") expenditures. The complete reports analyze average spending in a number of breakdowns. The following covers averages by size of household, 1986. The averages are based on the total universe, including households that may not have spent anything on footwear during the year, and therefore are lower than averages for spenders only.

Average Annual Expenditure on Footwear By Size of Urban Household: 1986

Total, all households	$122.6
One person	74.3
Two persons	111.6
Three persons	137.7
Four persons	178.6
Five persons	186.6
Six or more persons	182.7

Source: U.S. Bureau of Labor Statistics, Consumer Expenditure Interview Survey: 1986 (February, 1988)

RETAIL TRADE

Consumer Prices

The Bureau of Labor Statistics issues monthly Consumer Price Indexes covering a full range of goods and services purchased by consumers. Reflecting the price increases in raw materials and in footwear imported from countries whose currencies have been affected by the devaluation of the dollar, footwear prices have been increasing in 1988, particularly women's. The index for women's footwear was up 4.6% from August prices; boys' and girls', 3.5%; men's up 1.6%. Seasonally adjusted, September's footwear prices rose 3.5% from August levels.

The seasonally adjusted annual rate in the footwear CPI was 9.5% higher than the annual rate as of March 1988.

Consumer Price Index on Footwear For All Urban Consumers
(Base Period 1982-1984 = 100)

	Sept. 1988 Seasonally Adjusted Monthly Index 1988		% Change
	June to July	July to Aug.	Aug. to Sept.
All footwear	- 0 -	- 0.6	+ 3.5%
Men's	+ 1.2	+ 0.2	+ 1.6
Boys', girls'	+ 0.2	+ 0.3	+ 3.5
Women's	- 0.3	- 1.7	+ 4.6

(p) preliminary

Source: U.S. Department of Labor, Bureau of Labor Statistics

Fixed Price Indexes for Footwear
Personal Consumption Expenditures, 1982 Weights
(1982=100)

1987	1986	1985	1984	1983	% Change 1986/83
105.9	102.7	103.1	101.8	100.6	+ 5.2%

Footwear Sales Trends

While the Department of Commerce reports annual figures covering the value at retail of footwear reaching the consumer through any channel (personal consumption expenditures), sales through retail outlets (with payroll) are reported by this source only at five year intervals through the complete census of retail trade.

To fill the void, private services conduct tracking studies measuring consumer purchases among nationwide samples of U.S. households. These services include (The) Footwear Market Index (FMI), a service of Footwear Market Insights, Nashville, Tenn., and MRCA Information Services' Soft Goods Information Service, Stamford, Conn. (Reports for clients include details on brands, price paid, wearer, place of purchase, etc.).

According to the FMI reports, based on tracking studies among 30,000 households reporting on female footwear and 30,000 reporting on male footwear in each of three four-month reporting periods during the year, retail sales of footwear in 1987 are projected to a total of $25,149 million, up 15.5% over the 1986 total.

Footwear Sales Trends (continued)

Estimated Spending for Footwear in Retail Outlets
(Millions of dollars)

	1987	1986	% Change 1987/86
Total	$25,149	$23,604	+ 6.5%
Men's	9,420	8,678	+ 8.6
Women's	12,938	11,226	+15.2
Juvenile (boys', girls', infants')	2,791	3,700	-24.6

Source: The Footwear Market Index (FMI)
Footwear Market Insights, Nashville, TN

Total footwear purchases in pairs amounted to 955.5 million in 1987, up 6.4% over the 1986 total of 897.9 million pairs, according to the FMI reports. This includes footwear of all types except slippers and protective footwear. Women's styles account for well over half, 54.7% of the total in 1987, remaining unchanged from last year.

Distribution of Footwear Purchases (Pairs)
By Market Segments

	1987	1986	% Change 1987/86
Total footwear purchases	100.0%	100.0%	--
Men's	26.5	26.5	--
Women's	54.7	54.7	--
Boys'	7.3	7.3	--
Girls'	5.6	6.0	+ 7.1%
Infants'	5.8	5.5	- 5.2

Source: FMI, Footwear Market Insights, Nashville, TN

The KSA Perspective, an analysis of retail trends and outlook for 1988 by Kurt Salmon Associates, indicates some of the factors which provided better returns in 1987 and the earlier year. These include: increases in consumer spending on footwear, price increases, restructuring by large diversified companies with manufacturing and retail activities. The report notes that most of the major trends identified in recent years remain in place for footwear: athletic and casual styles still dominate; the largest footwear companies concentrate on retailing; segmentation of consumer targets continues as the determining force in styling and retail distribution.

One trend, manufacturing's decline--seems to have been arrested in 1987. Domestic shoe manufacturers have found ways to compete more effectively through a variety of means--niche marketing, faster response to the market via reduced production cycle times, lower cost through more productive technology and by using new sources in a more imaginative and flexible way. Coupled with the cheaper dollar, these steps are paying off.

The various components of the U.S. footwear market present a mixed picture in recent years. In 1987, excluding athletic footwear, women's, boys' and girls'; lost market shares. Again, overriding all off these markets, and showing the biggest gain in market share is athletic footwear of all types, which icnreased by 10%, at the expense of dressier styles.

RETAIL TRADE

Footwear Sales Trends (continued)

Footwear Consumption
Year-to-Year % Change in Pairs Purchased by Consumers

	88/87	87/86	86/85	85/84	84/83
Dress, casual, work & boots					
Men's	+ 2%	- 5%	0	- 5%-	+ 9%
Women's	- 4	+ 5	+ 8	+ 6	+ 9
Boys'	- 23	- 5	0	- 4	+ 8
Girls'	- 15	0	- 6	0	+ 6
Infants'	+ 3	+10	+15	+11	0
Athletic (all types including nonrubber and rubber fabric)	+ 10	+20	+15	+10	+ 7

Source: The Footwear Market Index (FMI),
Footwear Market Insights, Nashville, TN

Athletic footwear of all types, including sneakers, represented 37% of total footwear purchases in the U.S. in 1987, up from 29.4% in 1984. It is the largest single component of the market and still growing, though at a slower pace and with shifts occurring in best-selling styles of athletic footwear.

Distribution of Total U.S. Purchases of Nonrubber & Rubber/Fabric Footwear
By Type of Shoe: 1984, 1987

Shoe Types:	Total		Men's		Boys'		Women's		Girls'		Infants'	
	1987	1984	1987	1984	1987	1984	1987	1984	1987	1984	1987	1984
Total (mil. pairs)*	955.5	734.2	252.9	192.2	70.0	522.6	52.5	402.5	57.5	48.6	52.6	38.3
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Dress	31.6	35.6	25.8	30.9	12.1	13.6	38.9	41.4	26.6	22.9	21.2	24.6
Casual	19.7	24.5	11.4	13.7	6.4	8.5	26.1	32.3	19.2	26.9	15.5	16.0
Athletic/tennis	37.0	29.4	45.3	37.1	75.6	69.7	25.4	17.2	45.8	41.5	52.2	48.5
Work/duty	4.8	4.3	11.8	10.4	1.2	2.1	2.8	2.5	0.4	0.3	-0-	-0-
Western/casual boot	1.4	1.6	2.3	3.2	1.6	1.9	1.0	0.9	0.9	1.6	1.3	1.5
Other	8.5	4.6	5.7	4.7	5.8	5.7	5.8	5.7	7.1	6.8	9.8	9.4

*Includes rubber and rubber/fabric footwear except slippers or protective footwear.

Source: Footwear Market Index (FMI),
Footwear Market Insights, Nashville, TN

RETAIL TRADE

Athletic Footwear Market

The explosion in demand for running shoes, and the emergence of Nike in the early 1970's, started the athletic footwear revolution, and the growth of specialized athletic footwear stores. The market was stimulated by the tremendous growth in consumer interest in sports/fitness participation, then by the growth in demand among non-participants who wanted the "look" or the comfort offered by many of the athletic footwear classifications. In the early stages of development, the industry focused on performance footwear, then increasingly focused on constructions and styles that consumers adopted for street wear. Reebok was in the forefront of this development, with its garment leather aerobic shoes, followed recently by L.A. Gear.

The market became increasingly volatile and segmented, with switches in demand for performance shoes responding to changes in the "in" sports, and demand for athleisure or street footwear swinging with the fashion pendulum. More fashion in footwear has brought higher price points, contributing to sales growth, but has also brought problems in inventory control.

According to Footwear News (Jan. 15, 1987), over 80% of athletic footwear purchases are for street wear. Another source, American Sports Data, Hartsdale, N.Y., estimates that only 30% of athletic footwear buyers actually participate at all in the sports for which functional athletic footwear is designed.

Nevertheless, active participants, and the changing mix in relation to age and sex, as well as sports, remain the focus of the industry and determine the direction of the general consumer market.

A major development in regard to sports participation has been the fall-out in popularity of running. Fitness walking and cycling, however, are filling the gap. According to the National Sporting Goods Association (NSGA), the number of Americans who see themselves as exercise walkers grew almost 8.5% from 1986 to 1987 to 58.8 million. The number of runners increased 7.3%. Hikers numbered 17.4 million. According to American Sports Data, Inc. some 4.5 million Americans can be classified as "serious walkers". Over half the walkers (27.3%) are over age 55, in contrast with the much younger typical runner, most of whom are under 35.

Women have become a growing factor in the market for athletic footwear, not only because of their interest in fitness and sports participation, but particularly in their preference for athletic footwear for street wear. As for growth in a participation sport, a market study by Reebok finds that the cycling arena offers an even bigger opportunity than walking. There are 53.2 million participants, of which 51.4% are women.

The potential market represented by active participants is profiled in the following counts by the NSGA. (Definitions of "participants", it will be noted, vary by source, and figures may not agree.)

Athletic Footwear Market (continued)

Total Number of Participants in Selected Sports & The Percent Represented by Women
(Number in millions)

Sports	% Female	Total (Millions)
Aerobic Exercising	85.5%	23.1
Exercise walking	64.6	58.1
Roller Sckating	61.1	19.8
Ice/Figure Skating	61.0	6.4
Calisthenics	54.6	17.1
Cross Country Skiing	50.1	5.0
Swimming	52.7	66.1
Bicycle Riding	51.4	53.2
Bowling	51.0	40.1
Volleyball	50.4	23.6

Source: National Sporting Goods Association

The NSGA finds that a large percentage of new participants in many sports are women, fueling growth, though, overall, men outnumber women participants in most sports. This development is changing the look of athletic footwear, but more importantly, affecting production schedules and merchandising. It is contributing to the short life of styles as well as to changing patterns of distribution.

The main source of distribution for branded athletic lines is in sporting goods and athletic shoe stores, or through leased department operated by specialty athletic footwear operations. As previously noted, the current trend on the part of suppliers and the large retail chains is toward more specialized outlets, catering to both the active participant and the street active customer.

Total retail sales of all types of athletic footwear have been estimated at over $4.0 billion at the present time. The NSGA placed 1987 volume at a conservative $4.0 billion, up 10.1% over the 1986 total. The biggest growth in sales last year was in walking footwear--up 39% over 1986. Average prices were up but units were down for basketball, jogging and tennis shoes, according to the NSGA count.

Sales of Athletic Footwear in Selected Classifications: 1986*, 1987
(In millions)

	Pairs			Dollars		
	1987	1986*	% Change	1987	1986*	% Change
Aerobics	12.1	10.6	+ 13.0%	$401.1	$332.8	+ 20.5%
Basketball	4.5	5.4	- 16.6	169.2	186.8	- 9.4
Gym shoes, sneakers	27.2	26.9	+ 1.1	692.5	585.8	+ 18.2
Jogging/running	13.0	17.1	- 23.9	474.9	545.2	- 12.9
Tennis	13.4	17.6	- 23.8	367.2	447.7	- 17.9
Walking	14.3	11.2	+ 27.6	511.4	368.4	+ 38.8
Workout/fitness	5.8	4.7	+ 23.4	196.9	150.7	+ 30.6

na not available
* Not including specialized shoes worn for golf, bowling, baseball, hiking, etc.

Source: Sporting Goods Market in 1988
National Sporting Goods Association

Athletic Footwear Market (continued)

Views of market potential previously discussed, as seen by suppliers, would indicate a stronger market in 1987 for walking shoes as well as workout/ fitness shoes. A sizeable quantity of athleisure footwear may not be included in the NSGA data.

In addition, athletic footwear suppliers have a large stake in athletic footwear for infants and children. Footwear Market Insights, Nashville, TN, a footwear marketing research firm has reported that in a 12-month period ending December 1987, athletic shoes (including sneakers) accounted for 76% of all footwear sold to boys age 3-10; 46% of the total girls' footwear market and 52% of the infants' market. In pairs the totals were: boys', 52.6 million; girls', 26.1 million; infants', 2.7 million.

Consumer purchases of all types of athletic/tennis footwear tracked in the FMI (Footwear Market Index) studies showed the following results for 1987 compared with 1986.

Market Size Estimates On Athletic/Tennis Footwear: 1986, 1987
(Thousands of pairs)

	1987	1986
Total	321,775	279,485
Men's	112,538	104,261
Women's	130,421	104,468
Boys'	52,621	47,972
Girls'	26,195	22,784

Source: Footwear Market Index, (FMI)
Footwear Market Insights, Nashville, TN

As the American consumer has accepted aerobics, tennis, running and basketball shoes as the favored item for comfort and leisure wear in place of traditional dress and casual categories, traditional shoe stores are now selling more athletic shoes than sporting goods stores. Although major branded athletic shoe companies have concentrated their marketing efforts on the traditional sporting goods market, the NSGA study shows a broadening of efforts to capture the new consumer through department and discount stores.

An NSGA report, which was based on consumer responses covering types of shoes purchased, place of purchase, etc., and therefore colored by consumers' perceptions, included the following information on type of retail outlet in which specified athletic footwear was purchased in 1987.

Athletic Footwear Market (continued)

Athletic Footwear Purchases By Type of Retail Outlet: 1987
(Percent of total purchases)

Shoe Types: Store Types	Aerobics	Basketball	Gym/ Sneakers	Jogging	Walking	Fitness
Specialty sporting goods	18.6%	26.2%	10.7%	20.5%	11.9%	18.0%
Specialty athletic footwear	18.1	21.8	13.8	27.5	17.8	22.0
Specialty sport/pro shops	2.9	4.6	2.7	3.6	3.7	3.4
Discount stores	20.9	15.6	32.8	19.1	19.5	19.6
Department stores	27.4	19.9	25.0	18.2	26.5	26.4
Mail order	1.7	1.4	1.6	2.6	4.7	2.3
Catalog showrooms	0.2	--	0.2	0.2	0.3	0.9
Other (incl. traditional shoe stores)	10.2	10.5	13.2	8.3	15.6	7.4

Source: National Sporting Goods Association (NSGA)

Retail Outlets

Some of the larger U.S. footwear suppliers are involved not only with manufacturing in the U.S. and/or sourcing abroad, but also operate retail footwear companies in order to gain greater control over the marketiing and distribution process.

Footwear News (July 11, 1988) provided an analysis of a selected group of footwear retailers, both retail specialists and those part of diversified companies. As a group five publically owned retailers increased their sales by about 18% in 1987. Sales by retailers owned by diversified companies increased their sales by 18% over the previous year.

Footwear Retailers
(Sales in thousands of dollars)

Company	Sales 1987	Sales 1986	% Change 87/86
Total	3,300,613	3,060,162	+ 7.8%
Brown Group	1,678,378	1,400,196	+19.9
Edison Bros. Stores	931,000	904,200	+ 3.0
Genesco, Inc.	405,844	514,589	-21.1
J. Baker, Inc.	200,680	165,796	+21.0
Weiner Enterprises, Inc.	84,711	75,381	+12.4

Source: Footwear News, July 11, 1988

Retail Outlets (continued)

Diversified Companies
(Sales in thousands of dollars)

Company	Sales 1987	Sales 1986	% Change 87/86
Total	40,416,206	34,262,566	+18.0%
Hanson Industries (Endicott Johnson)	10,975,000	7,082,000	+55.0
May Dept. Store (Kinney Shoe Corp.)	10,581,000	10,376,000	+ 2.0
F.W. Woolworth (Kinney Shoes)	7,134,000	6,501,000	+ 9.7
Melville Corp.	5,930,283	5,262,364	+12.7
Interco, Inc.	3,341,423	2,946,902	+13.4
Emhart	2,454,500	2,094,300	+17.2

Source: Footwear News, July 11, 1988

Retail Outlet Types: Shoe Stores

Total sales of footwear and footwear accessories by retail outlets with payroll amounted to $17.0 billion, according to the 1982 census. Of this total, shoe stores accounted for 64.4%; general merchandise stores, 19.4%; other outlets, 6.2%. Not including footwear accessories, shoe stores accounted for 71.7% of the $10.6 billion footwear sales in stores with payroll.

The annual County Business Pattern reports issued by the Census Bureau are a source of information on the number of shoe stores by employment size, and the latest issue currently available covers the year 1985. Compared with the count in 1982, a gain of 1,920 stores was noted in the 1985 total. This increase in specialty store operations is expected to continue in 1988 and 1989, in view of the announced plans of large suppliers and retailer operations.

Number of Shoe Stores By Employment Size Class: 1982, 1985

	Employment Size Class							
	Total		Under 20		20-99		100 or more	
	1985	1982	1985	1982	1985	1982	1985	1982
Number of stores	37,343	35,423	36,744	34,912	588	497	11	14
Number of employees	194,243	191,327	175,807	174,223	17,086	12,365	1,350	4,739
Annual Payroll (mil. $)	1,819.5	1,591.3	1,098.0	1,446.8	165.8	*	13.6	*

* Employment of 20 or more: $109.5 million

Source: U.S. Bureau of the Census:
County Business Patterns

Current information on employment in shoe stores, including stores without paid employees is compiled by the Bureau of Labor Statistics. (Besides its broader coverage, the BLS and Census Bureau use different methods in compiling their statistics on employment.)

According to preliminary figures for the month of Aug. 1988, issued by the BLS, shoe store employment numbered 220.0 thousand, which was 1.7% below the total of 224.0 thousand, reported for Aug. 1987. Employment for the year 1987 averaged 211.8 thousand, up from 204.7 thousand in 1986.

Retail Outlet Types: Shoe Stores (continued)

The trend in failures involving losses to creditors among shoe stores has grown sharply since 1980. In 1987, liabilities increased, as the fall-out involved both large and small operations.

Shoe Store Failures & Liabilities, 1980-1987

Year	Number	Liabilities ($000)
1980	80	$ 51,330
1981	116	12,148
1982	153	70,170
1983	236	29,876
1984	347	50,621
1985	310	26,113
1986	336	32,707
1987	298	54,434

Source: Dun & Bradstreet, Inc.

The National Shoe Retailers Association, Columbia, MD, compiles annual reports on shoe store operations, including the following:

Reporting Shoe Stores: Selected Operating Ratios By Store Type: 1987
(Average Per Store)

	All Stores	Family	Men's	Women's	Children's
Net sales (average)	$437,072	$488,476	$440,396	$374,403	$357,915
1987/86 Gain/Loss	+ 5.1	+ 5.0	+ 5.8	+ 4.7	+ 10.9
Initial markup (%)	54.1	53.5	58.1	55.2	56.7
Gross margin (%)	44.6	44.1	46.5	46.6	49.6
Markdowns (%)	20.5	20.2	26.4	19.3	16.5
Stock turnover	2.1	2.0	2.0	2.2	1.8
Average square feet	2,478	3,240	1,221	1,216	1,234
Sales per square foot ($)	173	151	361	308	290
Average inventory cost ($)	117,976	142,236	117,332	95,718	101,855

Source: National Shoe Retailers Association:
1988 Shoe Store Operational Study

Reporting Shoe Store Expenses & Profits: 1985, 1987
(Percent of sales)

	1987	1985
Total sales	100.0%	100.0%
Cost of goods sold	56.8	56.4
Gross margin	44.0	43.0
Expenses	41.0	42.9
Operating income	3.6	1.0
Pretax net profit	4.7	2.6

Source: National Shoe Retailers Association:
1988 Shoe Store Operational Study

Retail Outlet Types: Shoe Stores (continued)

Monthly and annual sales figures for retail stores are compiled by the U.S. Bureau of the Census. Sales estimates include leased shoe departments as separate shoe stores rather than being included in the sales of lessors. The current reports are based on sample surveys of retailers. (Sales figures are in current dollars).

Shoe Store Sales: Selected Years 1982, 1986, 1987
(Millions of dollars)

	1987	1986	1982	Percent Change 1987/86	 1986/82	 1987/82
Shoe stores, total	$14,586	$13,433	$11,419	+ 8.5%	+17.6%	+27.7%
Stores in chains of 11 or more stores	$ 8,881	8,3225	6,222	+ 6.7	+33.7	+42.7

Source: U.S. Department of the Census: Bureau of the Census, *Revised Monthly Sales and Inventories* (BR-13-87S)

In the first eight months of 1988, shoe store sales registered a modest gain of 2.1% compared with volume in the same 1987 period. Meanwhile, sales of the apparel and accessory store group as a whole were up 3.4%; total retail sales excluding the automotive group rose only 5.3%. For multiunit stores (11 or more) the Bureau reported a sales gain of 5.3% in January-August, 1988.

Monthly Pattern in Shoe Store Sales, 1986, 1987
(Percent of year's sales by months)

Year	Total	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1987	100.0	6.6	6.3	8.2	9.1	8.3	8.0	7.2	9.0	10.4	8.1	8.3	11.8
1986	100.0	6.4	6.1	8.9	7.9	8.6	7.7	7.2	9.6	8.4	8.4	8.8	11.6

Source: Based on Monthly Retail Trade Reports, U.S. Bureau of the Census

Retail Outlet Types: Department Stores

Department stores, including traditional as well as discount department stores, and department stores operated by the mail order or national chains, had footwear sales amounting to $2.7 billion in 1982, according to the latest census of retail trade. Not included in the department store figures are sales in leased departments.

Footwear accounted for 2.7% of total store sales that year, and based on the same percentage, in 1987 footwear sales in all types of department stores would have amounted to $3.9 billion, based on total department store sales of $146.5 billion.

Merchandising and operating results in the typical department store reporting to the National Retail Merchants Association for the year 1987 were reported as follows.

RETAIL TRADE

Retail Outlet Types: Department Stores (continued)

Merchandising & Operating Results of Footwear In Department Stores With Total Sales Over $2 Million, 1987

(Median results)

	Total All Footwear Depts. (130)	Women's, Misses' & Juniors' Footwear (25)	Men's Footwear (19)	Children' Footwear (19)
Net sales, % change from last year	+ 8.5	+10.1	+14.6	+ 6.4
Sales, % to total store sales	4.7	4.3	0.8	0.3
$ sales per square foot of selling space (main or largest unit)	205.0	na	na	na
Cumulative markon, %	50.7	50.9	48.6	50.0
Gross margin, % of sales (incl. cash discounts)	41.4	42.1	42.2	38.8
Advertising, % of net sales	3.0	2.9	na	3.8
Selling salaries, % of net sales	9.2	9.2	na	na
Number of stock turns (times)	1.9	2.1	1.4	1.3

* Number in parenthesis refers to the number of companies reporting in each category.

Source: National Retail Merchants Association: Merchandising and Operating Results (1988 edition)

The growing popularity of walking shoes, particularly among older women, is a development that favors department stores.

These stores, which are pretty much out of the market for performance athletic footwear--are benefitted, too, by the fashion importance of athletic footwear used for street and leisure wear. They are the leading outlet type for athletic footwear as a whole, according to Kurt Salmon Associates (but not including branded athletic footwear).

CONSUMER EXPENDITURES

Athletic Footwear

Walking shoe unit sales grew 28% in 1987, with dollar sales up 39%. All the growth that appeared in the athletic footwear market in 1987 occurred because of the walking shoe market.

Athletic Footwear (continued)

Consumer purchases of footwear of all types are traced by Footwear Market Insights (FMI), in the Footwear Market Index, the result of an on-going tri-annual survey of 50,000 representative households across the nation which records purchases during the period. Results are projected to the U.S. population.

The results show the continued importance of the market among women for atheltic footwear of all types, not only because of increased participation in active sports but also because of the appeal of this footwear for everyday wear due to comfort and fashion.

In 1987, panel resutls indicated purchases of athletic/jogging footwear as a whole rose 9.9% in terms of pairs. Women's styles lead, with a 13.2% gain. In the tennis shoe/sneaker category, women's styles were up almost 34% vs. an overall gain of about 18%.

Pattern in Athletic Footwear Purchases: 1986, 1987
(Based on pairs)

	1987	1986	% Change 1987/86
Total, all types	100.0%	100.0%	+ 15.1%
Athletic/jogging footwear	33.2	34.8	+ 9.9
Men's	12.9	13.8	+ 7.7
Women's	16.0	16.3	+ 13.2
Boy's	2.8	3.0	+ 5.1
Girls'	1.6	1.7	+ 4.5
Tennis shoes/sneakers	66.8	65.2	+ 17.9
Men's	22.1	23.6	+ 8.0
Women's	24.5	21.1	+ 33.9
Boy's	13.6	14.1	+ 10.7
Girls'	6.6	6.4	+ 17.8

Source: Footwear Market Index (FMI), Footwear Market Insights, Nashville, TN

Women's share of all types of athletic footwear, including sneakers, has increased from about 35% in 1984 to 40.5% in 1987, drawing share from all other segments of the total market.

Distribution of Athletic Footwear Purchases
By Market Segment
(Based on pairs)

	1987	1986
Athletic footwear, all types	100.0%	100.0%
Total purchases	35.0	37.3
Men's	16.4	17.2
Women's	40.5	37.4
Girls'	8.1	8.1

Source: Footwear Market Index (FMI), Footwear Market Insights, Nashville, TN

CONSUMER EXPENDITURES

Athletic Footwear (continued)

An additional insight into athletic footwear purchases can be seen from a survey of 80,000 households by the NSGA. Based on dollar expenditures, the study divides atheltic footwear into the following categories:

Share of Consumer Footwear Purchases by Category/Sport

	% of Dollar Purchases
Aerobic Shoes	11.6%
Baseball/Softball	2.7
Basketball Shoes	4.9
Bowling Shoes	1.1
Football Shoes	1.5
Golf Shoes	3.8
Gym Shoes/Sneakers	20.1
Hiking Shoes/Boots	4.3
Hunting Boots	1.9
Jogging/Running	13.8
Racquetball Shoes	1.0
Soccer Shoes	2.1
Tennis Shoes	10.7
Walking Shoes	14.8
Workout/Fitness	5.7

Source: The Sporting Goods Marekt in 1988
National Sporting Goods Association

CONSUMER BUYING PATTERNS

Footwear purchased are tracked on a regular basis, covering three four-month periods throughout the year by Footwear Market Index (FMI), as previously noted. The following are selected findings on purchase patterns.

Distribution of the Total Footwear Market (Pairs) By Place of Purchase: 1987, 1986

	1987	1986
Total	100.0%	100.0%
National catalog chains	11.6	10.7
Department stores	11.0	11.4
Discount stores	22.0	20.0
Apparel specialty	1.7	1.8
Family shoe stores	20.8	19.8
Shoe specialty stores (men's, women's, or children's)	17.4	19.4
Sporting goods/pro shops	4.1	3.6
Mail order	2.5	2.0
Factory outlets	2.5	2.4
All other outlets	6.4	8.8

Average Price Paid For Footwear: 1984-1987

	1987	1986	1985	1984
Average Total Price (regular & sales)	$26.31	$26.28	$25.80	$26.06
Average regular price	32.15	31.91	31.33	31.21
Percent on sale	54.9%	53.5%	53.1%	51.4%

Source: Footwear Market Index (FMI), Footwear Market Insights, Nashville, TN

SCHEDULE OF ADDITIONAL FACT FILES

THE CHILDREN'S MARKET: INFANTS', TODDLERS', GIRLS' AND BOYS' (APPAREL, PLAYTHINGS & RELATED PRODUCTS): Includes a detailed statistical profile of the U.S. industry, i.e. number and size of manufacturers, production and shipments, employment trends and more. Also details imports and exports by product. At the retail level, this Fact File covers sales estimates, information on leading outlet types and on consumer price trends. The size of the growing potential market in terms of population counts and birth projections is outlined as well as consumer preferences and buying patterns in the consumer market.

CONSUMER MARKET DEVELOPMENTS (1988 Edition): Provides an overview of all facets of consumer market growth, including population size, age distribution, educational levels, employment by occupation groups, earnings. Development of specific market segments are analyzed which are shaped by changes in income levels, living arrangements working women, marriage and birth trends, and fast-changing economic developments.

DEPARTMENT STORE AND SPECIALTY STORE SALES (1988 Edition): Updates 1987 edition reports on department and specialty stores (number and sales) at the buying headquarter level, with information on branch stores where available. Data is organized for headquarter operations listed by city within the four major geographical regions of the U.S. Additional features: an alphabetical listing of major national chains in the general merchandise and apparel store classifications with the latest sales figures; a list of top traditional department store operations ranked by sales, covering store operations with a volume of $50 million or more in 1987; a list of conglomerates operating traditional department and apparel specialty stores, with the names and headquarter locations of these stores.

DRESSES, DRESS DEPARTMENTS, WASHABLE SERVICE APPAREL (WOMEN'S, MISSES', JUNIORS'): Includes trends in the U.S. industry, such as number of manufacturers, production, shipments; information on imports and their market penetration. Estimates are included on retail sales, as well as information on consumer spending patterns, and the growing importance of the service industries requiring washable service apparel.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported.

FOOTWEAR (MEN'S, WOMEN'S, BOYS', GIRLS'): A statistical analysis of the U. S. footwear industry and on imports, including import penetration by type of footwear, changes in sourcing patterns, etc. Also includes information at consumer spending patterns, retail sales by outlet type, operating ratios in footwear departments, consumer buying patterns.

HOME TEXTILES & RELATED PRODUCTS: Covers information on manufacturers in the industry, and developments resulting from consolidations, the quantity and value of U.S. production, foreign trade, total market supply. At the retail level, the report includes information on household spending, price trends and consumer buying habits. Included in this Fact File are facts on linens and domestics, as well as window coverings and related hardware, and bath shop items.

HOSIERY/LEGWEAR (MEN'S, WOMEN'S, BOYS' GIRLS'): A comprehensive report on these industries at the mill, retailer and consumer levels. Included are details on production and shipments, retail sales by type of outlet, patterns in consumer spending.

HOUSEHOLD FURNITURE AND BEDDING (Mattresses, Dual-Purpose Sleep Furniture, etc.): Reviews important market trends and provides an overview of important statistics at the manufacturing, retailing and consumer levels relating to furniture and bedding. Included is information on the number of manufacturers, the quantity and value of shipments, employment and earnings, and industry concentration levels. Retail data includes information on furniture store sales, the leading furniture stores and the leading department stores in furniture volume; trends in consumer spending for furniture and price level changes.

MEN'S FURNISHINGS AND WORK/CAREER APPAREL: Provides a summary of major market trends in men's shirts, (dress and sport), underwear, nightwear, robes, hosiery and headwear, as well as the growing market for work/career apparel. These products are covered at the U.S. industry level, including production and shipments, employment trends and manufacturer concentration levels. Imports are detailed by product in terms of quantity and value, as well as exports. Data at the retail level includes sales and operating results in men's furnishings in department and specialty stores.

MEN'S SPORTSWEAR, CASUAL WEAR, OUTERWEAR: The wide variety of men's wear items included in this broad category are covered; including available information on the industry and markets at the manufacturer, retailer and consumer levels. It covers information on production and shipments by U.S. producers, imports and exports, as well as estimates on retail sales and information on consumer buying practices.

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Consumer Market Developments

FAIRCHILD FACT FILE

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CONSUMER MARKET DEVELOPMENTS

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E. B. Gold, Manager
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CONSUMER MARKET DEVELOPMENTS

TRENDS

By the end of 1988, the U.S. economy had registered its sixth year of uninterrupted expansion. With personal consumption expenditures accounting for two-thirds of the gross national product, much of the credit for this performance, lies with the consumer; a mixed blessing to the extent that this is reflected in a low savings rate and a deeper trade deficit.

There are a number of factors beyond the control of consumers which could cause the economy to deteriorate. A potentially threatening factor is that the economy is operating at increasingly high capacity levels, due in part to rising export demand. Growing strains are seen in shortages of workers and factory capacity, raising the possibility that strong inflationary pressures could develop. Unless checked, these pressures could lead to sharply rising interest rates, falling equity prices, and economic recession. A perceived failure to make progress in reducing the U.S. budget deficit could also fuel inflationary expectations. There are heavy debt loads in all segments of the economy which would make a recession more severe. In view of the high budget deficit, should a recession occur, government spending power cannot be counted on to provide a stimulant.

Currently the Federal Reserve Board expects the economy to grow at a real, inflation-adjusted rate of 2.5 to 3% in 1989, much lower than the earlier estimate of 3.2% growth issued by the Administration and 3.5% by the Office of Management and Budget. The real gain in the gross national product in 1988 compared with 1987 was 3.8% but the rate in the last quarter was up only 2.7% after subtracting 1.1 percentage points for crop and livestock losses. This was the slowest pace in two years.

Personal consumption expenditures showed a real gain of 2.8% for the year 1988, and were at an unexpectedly high rate in the fourth quarter which was 3.5% in real terms over the annual rate in the third quarter. Disposable personal income adjusted for inflation gained 3.8% in 1988 compared with 1987. The fourth quarter 1988 seasonally adjusted annual rate was also up 3.8%.

Per capita disposable personal income for 1988 gained 2.9% over 1987 when adjusted for inflation; and fourth quarter year-to-year comparisons showed a rise of 2.8%. The unemployment rate fell to a 14-year low of 5.3% in December and nonfarm payrolls continued to surge. The year 1989 generally started on a high note; and most economists feel the good performance of the economy is likely to continue throughout 1989, with a slowdown or recession in 1990.

Inflation for 1989 is expected to be at about a 5% rate but could go higher, pushed upwards by rising oil prices in view of the agreement among the Organization of Petroleum Exporting Countries to cut production as well as other factors noted above. Global price wars on products and commodities will help keep U.S. prices in check, however.

Retailers in general expect modest real gains in 1989 sales. Debt levels are high, wages stagnant and demand for many goods nearly sated. According to Business Week (January 9, 1989) analysts are predicting inflation-adjusted increases of 1% to 2% in 1989 in general merchandise sales, excluding autos.

Many consumer markets are still benefitting from the population bulge caused by the baby boom. But the long-term demographic trends are not heartening for retailers used to the days when baby boomers were at their peak of activity in building careers and starting families. They will be moving out of their prime spending years--ages 25 to 40. And there are fewer young buyers coming along and fewer children.

Trends (continued)

Between 1989 and 1995 the number of 35-to 44-year olds and 45-to-54-year olds will increase 19% and 29%, respectively, while the ranks of the 25-to-34 age group will decline 6.6%. The battle for market share of a smaller customer base will be intense in coming years. Anticipating customer's changing priorities and tastes will be crucial and retailers must be flexible and fast to keep up with a changing market and still maintain profits.

POPULATION TRENDS

At the end of 1988, an estimated 246.9 million people lived in the United States, representing a gain of 9% over the 1980 census count of 226.5 million. The population increased 0.9% in both 1987 and 1988, and 1% in each year from 1981 to 1986. In contrast, the annual rate of increase during the peak years of the Baby Boom (1947-61) ranged from 1.6 to 1.9%. (The entire period of the baby boom was from 1946 to 1964.)

The record for net population growth in a single year is 3.1 million, recorded in 1956, when the U.S. population was about 168 million. An advance report on new Census Bureau population projections (to be released in 1989) indicated that the U.S. population should grow more slowly than ever before after 1995 and may stop growing within 50 years.

Age Structure: Resident U.S. Population

The record number of births in the period 1946-1964 has resulted in the current population bulge comprised of persons in their mid-twenties to early forties. This segment will remain the most important component of many consumer product markets for years to come, encompassing population groups setting up new households, or upgrading incomes and lifestyles.

Another result of the Baby Boom has been the "echo effect" on births--baby boomers having babies, resulting in a baby boomlet which started in 1975, reversing the birth dearth. The latest detailed analysis of the composition of the population, compiled annually by the Census Bureau, showed the number of children under 5 years in 1987 (18,252,000) was 11% over the 1980 total (16,458,000). Their share of the total resident population of the country was 7.5% in 1987 vs. 7.2% in 1980. Of the 1987 population under 5 years, 51.2% were males, 48.8% were females.

Analyzed in terms of five-year intervals, the peak population in 1987 fell at 21,980,000 persons age 25 to 29 years--11.6% over the 1980 total. The second largest group, at 21,335,000, were age 30 to 34 years. This group was 20.2% above the 1980 count.

Both the teenage and young-adult populations decreased significantly between 1980 and 1987. Compared with 1980, the number age 18 to 21 declined 14.8% by 1987; persons age 14 to 17 declined 10.4%. The bulk of the Baby Boom are in the 25-44 age group which numbered 77,620,000 in 1987--almost 23% above the 1980 total. While the number of 25-to-34 year olds will continue to grow for a few years, the 35-44 group will grow for a longer period of time.

The population 65 years and over grew substantially between 1980 and 1987, and will continue to grow significantly for the forseeable future. The "graying of America" is documented by its increasing median age.

POPULATION TRENDS

Age Structure: Resident U.S. Population (continued)

Median Age of the Population, by Race and Sex: Selected Years, 1960-1987
(Total Population including Armed Forces overseas)

		Race		Sex	
Year	Total	White	Black	Male	Female
1987	32.1	33.0	27.2	30.9	33.3
1986	31.8	32.7	26.9	30.6	33.0
1980	30.0	30.9	24.9	28.8	31.3
1975	28.7	29.5	23.5	27.5	29.9
1970	27.9	28.7	22.5	26.6	29.2
1965	28.1	29.0	22.2	26.9	29.4
1960	29.4	30.2	23.4	28.5	30.3

Source: U.S. Bureau of the Census, Current Population Reports: U.S. Population Estimates, by Age, and Race: 1980, 1987 Series P-25, No. 1022 (March 1988)

The Black population is considerably younger than the White population, as noted in the comparison of median age. On July 1, 1987, the Black median age was 27.2 years, while the White median age was 33.0 years.

Distribution of the Resident Population By Age Groups: 1987 & compared with 1980
(As of July 1)

	1987 (thousands)			% Change: 1987/1980		
	Total	Male	Female	Total	Male	Female
Total	243,400	118,531	124,869	7.1	7.3	6.9
Age Group (years)						
Under 1	3,771	1,931	1,841	5.9	6.0	5.7
1 - 4	14,481	7,411	7,070	12.3	12.3	12.2
5 - 13	30,823	15,784	15,039	- 0.9	- 0.7	- 1.1
14 - 17	14,467	7,414	7,053	-10.4	-10.1	-10.7
18 - 24	27,107	13,615	13,492	- 9.9	- 9.8	-10.0
18 - 21	14,806	7,461	7,346	-14.8	-14.6	-15.0
22 - 24	12,301	6,155	6,146	- 3.3	- 3.1	- 3.3
25 - 34	43,295	21,670	21,645	15.6	16.6	14.7
35 - 44	34,305	16,912	17,393	32.9	33.6	32.3
45 - 59	34,397	16,608	17,790	0.1	- 0.2	3.4
60 - 69	20,787	9,563	11,225	9.6	10.9	8.6
70 - 79	13,556	5,593	7,963	16.2	18.1	14.8
80 & Over	6,391	2,031	4,359	22.4	18.5	24.2

(continued)

POPULATION TRENDS

Age Structure: Resident U.S. Population (continued)

Percent Distribution of the Resident Population By Age Groups: 1980, 1987

	1987			1980		
	Total	Male	Female	Total	Male	Female
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Age Group (years)						
Under 1	1.5	1.6	1.5	1.6	1.6	1.5
1 - 4	5.9	6.2	5.7	5.7	6.0	5.4
5 - 13	12.7	13.3	12.0	13.7	14.4	13.0
14 - 17	5.9	6.2	5.6	7.1	7.5	6.8
18 - 24	11.1	11.5	10.8	13.2	13.7	12.8
18 - 21	6.1	6.3	5.9	7.6	7.9	7.4
22 - 24	5.1	5.2	4.9	5.6	5.8	5.4
25 - 34	17.8	18.3	17.3	16.5	16.8	16.1
35 - 44	14.1	14.3	13.9	11.3	11.4	11.3
45 - 59	14.1	14.0	14.2	15.1	14.9	15.3
60 - 69	8.5	8.1	9.0	8.3	7.8	8.9
70 - 79	5.6	4.7	6.4	5.1	4.3	5.9
80 & Over	2.6	1.7	3.5	2.3	1.6	3.0
Median age: (years)	32	31.0	33.3	30.0	28.8	31.2

Source: U.S. Bureau of the Census, Current Population Reports: U.S. Population Estimates, by Age, and Race: 1980-1987 Series P-25, No.1022 (March 1988)

Population Projections By Age

Detailed projections of the population of the U.S. (including Armed Forces overseas) by age, sex and race for 1988 to 2080 are to be released by the U.S. Bureau of the Census early in 1989 (Series P-25, No 1018). As in the past, the projections will include three series based on varying assumptions on future levels of fertility, mortality and net immigration.

In October 1988, the Census Bureau issued projections on the resident population by States, age, sex and race: 1988-2010, consistent with the middle series of population projections to be issued at a later date. This series generally reflects assumptions on fertility, mortality and net immigration based on recent trends.

The resident population projections anticipate a gain of close to 18 million between 1990 and 2000--an increase of 7.1%; a gain of some 14 million between 2000 and 2010--(+5.3%). The most important component of projections are expected fertility rates and the number of women who are of childbearing age. The pattern over the next decade and beyond are a reflection of the Baby Boom years and the subsequent 15-year birth dearth.

POPULATION TRENDS

Population Projections By Age (continued)

Summarizing projections by broad age groups:

UNDER 5 YEARS:

A decline in the population under 5 years of age is projected (-8.2%) in the period 1990-2000. In the following decade the number in this group is expected to hold at about the year 2000 level. However, this group's share of the total population will decline from 7.4% in 1990 to 6.0% by the year 2010.

AGE 5-17

From 1990-2000, the population age 5-17 years will increase by about 3.2 million, for a gain of 7.0%. In the next decade, however, it will drop back to about the 1990 level, declining by 6.3%. This age group is expected to represent 18.3% of the resident population in 1990, with its share declining to 16.2% by year 2010. In 1986, it represented 18.7% of the population.

AGE 18-24

Reflecting a decline in the number of births and the aging of the baby boomers, a decline is expected in the young adult population up to year 2000. Compared with projections for 1990, the number age 18-24 years will decline by 910,000 (-3.5%). Then the count will turn up, to register a gain of 7.7% by 2010. By then, the group will represent some 9.5% of the total resident population. This compares with their 11.5% share in 1986.

AGE 25-44

The population age 25-44 is projected to show only a slight decline (less than 1%) in number in the 1990-2000 period, but in the next decade this group will be down in count by over 6 million, for a decline of 7.8% compared with the year 2000. In share of total population, the group will drop to 30.2% in 2000 compared with 32.6% in 1990, and fall to 26.4% by year 2010, based on current projections by the Census Bureau.

AGE 45-64

Some consumer markets should benefit from the sharp growth expected in the population growth in mature baby boomers, the group with the most disposable income. Between 1990-2000 this group is expected to increase by 14.5 million, and jump to 22.9% share of the total population compared with 18.7% in 1990 and 1986.

Between 2000 and 2010, another gain of over 17 million is expected representing a 28.1% increase. The group's share of the total population will jump to 27.9%, replacing the 25-44 group as biggest based on reported age intervals.

AGE 65 & OVER

The aging of the population in future years has been noted in the projections on median age. Better health care has resulted in longevity, and the number of people age 65 years and over is expected to increase by over 3 million between 1990 and 2000, for a gain of 10.5%; and will grow another 4.5 million from 2000 to 2010. By 2010, this group's share of the total population will reach 13.9%, up from 12.1% in 1986. Growth will then accelerate as the Baby Boom generation continues to move into the 65+ age group. By year 2030 it would comprise nearly 22% of the population and total about 66 million persons.

POPULATION TRENDS

Population Projections By Age (continued)

The following tables summarize the trends expected in broad age groups up to 2010.

Estimates & Projections of the Resident U.S. Population: 1986-2010
Total & By Broad Age Groups
(As of July 1. Numbers in thousands)

		Projections			% Change	
	1986(e)	1990	2000	2010	2000/ 1990	2010/ 2000
Total, all ages	241,078	249,891	267,747	282,055	7.1%	5.3%
Age Groups (years)						
Under 5	18,128	18,403	16,898	16,899	- 8.2	- 0 -
5 - 17	45,143	45,629	48,815	45,747	7.0	- 6.3
18 - 24	27,739	25,897	24,987	26,911	- 3.5	7.7
25 - 44	75,852	81,555	80,793	74,507	- 0.9	- 7.8
45 - 64	45,044	46,842	61,373	78,629	31.0	28.1
65 & over	29,173	31,559	34,882	39,362	10.5	12.8
Median age (years)	31.7	33.0	36.5	39.0	10.6	6.8

	Percent Distribution by Age			
	1986(e)	1990	2000	2010
Total, all ages	100.0%	100.0%	100.0%	100.0%
Age Groups (years)				
Under 5	7.5	7.4	6.3	6.0
5 - 17	18.7	18.3	18.2	16.2
18 - 24	11.5	10.4	9.3	9.5
25 - 44	31.5	32.6	30.2	26.4
45 - 64	18.7	18.7	22.9	27.9
65 & over	12.1	12.6	13.1	13.9

(e) estimated

Source: U.S. Bureau of the Census, Current Population Reports: Projections of the Population of States, by Age, Sex and Race: 1988-2010 Series P-25, No.1017 (October 1988)

Information on the age components of the male and the female resident populations is reported below in greater detail for the years 1980, 1990, 2000.

Population Projections By Age (continued)

Total Resident Population By Sex & Age: 1980, 1990, 2000
(Numbers in thousands)

	Males			Females		
	1980	1990(p)	2000(p)	1980	1990(p)	2000(p)
All ages	110,053	121,775	130,722	116,493	128,116	137,025
Age Groups:						
Under 5 years	8,362	9,426	8,661	7,986	8,982	8,237
5 - 9	8,539	9,408	9,288	8,161	8,971	8,837
10 - 14	9,316	8,858	9,851	8,926	8,427	9,357
15 - 19	10,755	8,865	9,735	10,413	8,516	9,340
20 - 24	10,663	9,244	8,706	10,655	9,238	8,688
25 - 29	9,705	10,708	8,808	9,816	10,678	8,804
30 - 34	8,677	11,195	9,689	8,884	11,147	9,661
35 - 39	6,862	10,026	10,882	7,104	10,146	10,890
40 - 44	5,708	8,691	10,995	5,961	8,964	11,074
45 - 49	5,388	6,809	9,822	5,702	7,132	10,057
50 - 54	5,621	5,590	8,467	6,089	5,948	8,870
55 - 59	5,482	5,070	6,478	6,133	5,552	6,981
60 - 64	4,670	5,032	5,078	5,418	5,708	5,620
65 - 69	3,903	4,655	4,382	4,880	5,596	5,109
70 - 74	2,854	3,516	3,860	3,945	4,605	4,892
75 - 79	1,848	2,143	2,971	2,946	3,691	4,311
80 - 84	1,019	1,350	1,739	1,916	2,478	2,996
85 years & over	682	918	1,322	1,559	2,336	3,300
Selected Groups:						
5 - 13 years	15,923	18,589	17,163	15,237	15,804	16,320
14 - 17	8,298	6,788	7,864	7,950	6,449	7,468
18 - 24	15,054	12,999	12,552	14,969	12,898	12,435
16 years & over	77,471	88,973	97,034	85,320	96,880	105,000
21 years & over	70,880	83,299	91,304	78,820	91,322	99,388
Median age (years)	28.8	31.9	35.3	31.2	34.1	37.6

(p) projected

Source: U.S. Bureau of the Census, Current Population Reports: Projections of the Population of States, by Age, Sex and Race: 1988-2010 Series P-25, No.1017 (October 1988)

POPULATION TRENDS

Dependency Ratio

The great changes in the age structure are reflected in the dependency ratio, which shows how many young and elderly there would be for every 100 people of working age (18 to 64). During the next 25 years the dependency ratio is expected to decline as the proportion of the population of working age rises, and largely reflects declines in youthful dependents.

The following table shows the dependency ratio in total, and the youthful and elderly rates expected (based on recent trends) for the U.S. and in the four regions of the Nation. By 1990, the Northeast would have the highest elderly dependency ratio, but its low youthful dependency ratio would offset the high elderly rate, making its overall dependency ratio the lowest among the four regions.

In 1986, for every person age 18 to 64, there were 62.2 dependents (under 18 or 65 and older). This is expected to fall to 56.7 by 2010, but in later years a sharp rise is expected as the baby boom generation reaches age 65 and over.

Number of Dependents per 100 Persons 18 to 64 Years (Working Age)
U.S. & Regions: 1986-2010

	United States			Northeast			Midwest		
	Total Depend.	Under 18	65 & Over	Total Depend.	Under 18	65 & Over	Total Depend.	Under 18	65 & Over
1986	62.2	42.6	19.6	60.1	38.7	21.4	64.0	43.6	20.4
1990(p)	62.0	41.5	20.5	60.1	37.7	22.4	64.1	42.8	21.2
2000(p)	60.2	39.3	20.9	59.6	37.0	22.6	62.4	40.8	21.6
2010(p)	56.7	34.8	21.9	55.2	32.5	22.7	58.4	36.3	22.2

	South			West		
	Total Depend.	Under 18	65 & Over	Total Depend	Under 18	65 & Over
1986	63.2	43.8	19.5	60.4	43.4	17.1
1990(p)	62.5	42.1	20.4	60.5	42.7	17.8
2000(p)	60.4	39.2	21.2	58.2	40.1	18.1
2010(p)	57.2	34.5	22.7	55.3	35.7	19.6

(p) projected

Source: U.S. Bureau of the Census, Current Population Reports: Projections of the Population of States, by Age, Sex and Race: 1988 to 2010 Series P-25, No.1017 (October 1988)

POPULATION TRENDS

Aging of the Elderly Population

The elderly population of the U.S. is not only increasing but, it is growing older. According to the Census Bureau's estimates for 1987 and projections of the resident population based primarily on recent trends, the percentage of the population age 65 and over which is accounted for by those age 85 and over will grow steadily to the year 2010. It will then drop to lower levels until after 2030, as the baby boom generation attains age 65 but not age 85. Afterwards it would climb again to where one-quarter of the elderly are over age 85 in 2080.

Population Age 85 & Over As A Percent of the Elderly (65 & Over) Total
1987, 1990, 2000, 2010
(Numbers in thousands)

Age	1987	1990	2000	2010
65 & over	29,835	31,560	34,882	39,362
85 & over	2,867	3,254	4,622	6,115
% of elderly population accounted for by those age 85 & over	9.6%	10.3%	13.2%	15.5%

POPULATION TRENDS: REGIONS, DIVISIONS, STATES

Based primarily on recent trends in fertility, mortality and net immigration, the U.S. Bureau of the Census has released projections of the resident population for the 50 States and the District of Columbia by age, sex, and race for 1988 to 2010, compared with estimates for 1986.

On the assumption that recent trends will continue, the South and West will be the fastest growing regions in the U.S. The West will register a population gain of 7.2% in 1990 compared with 1986--almost twice the projected overall gain in the total U.S. resident population. The West is expected to add about 3.5 million persons to its population in this period, with just over half of this growth coming from natural increase (the excess of births over deaths); the remainder from net migration. The South is projected to grow by 5.2% (or by 4.3 million persons), with growth about evenly attributed to natural increase and net migration. The South will remain the most populous region. In contrast, the Northeast is expected to grow by only 1.1% in population from 1986 to 1990, and the Midwest by 0.8%. The projected growth in these regions would result from the excess of births over deaths that offsets net outmigration to other regions.

POPULATION TRENDS: REGIONS, DIVISIONS, STATES

Estimates and Projections of the Population of Regions: 1986, 1990, 2000, 2010

(Numbers in millions as of July 1)
(Percent change is based on total beginning population)

	Projections				% of Total Population			
	1986(e)	1990	2000	2010	1986(e)	1990	2000	2010
U.S. total	241.1	249.9	267.7	282.1	100.0%	100.0%	100.0%	100.0%
Northeast	50.0	50.6	51.8	52.5	20.7	20.2	19.4	18.6
Midwest	59.3	59.8	59.6	59.1	24.6	23.9	22.3	20.9
South	83.0	87.3	96.9	104.9	34.4	34.9	36.2	37.2
West	48.8	52.3	59.4	65.6	20.2	20.9	22.2	23.3

	% Change		
	1990/ 1986(e)	2000/ 1990	2010/ 2000
U.S. total	3.7%	7.1%	5.3%
Northeast	1.1	2.4	1.3
Midwest	0.8	-0.3	- 1.0
South	5.2	11.0	8.3
West	7.2	13.7	10.4

(e) estimated

Source: U.S. Bureau of the Census, Current Population Reports: Projections of the Population of States, by Age, Sex and Race: 1988 to 2010 Series P-25, No.1017 (October 1988)

Projected Population of Regions and Divisions: Selected Years, 1988-2010

(As of July 1 Number in millions)

						% Change*		
	1988	1992	1997	2000	2010	1992/ 1988	2000/ 1992	2010 1992
U.S. Total	245.5	254.0	263.0	267.7	282.0	3.4%	5.4%	14.9%
NORTHEAST	50.3	50.9	51.5	51.8	52.5	1.2	2.0	3.2
New England	12.9	13.2	13.6	13.8	14.2	2.6	4.0	7.6
Middle Atlantic	37.4	37.6	37.9	38.0	38.3	0.7	1.1	1.6
MIDWEST	59.6	59.9	59.8	59.6	59.0	0.5	-0.5	-1.5
East North Central	41.9	42.0	41.9	41.7	41.1	0.4	-0.9	-2.4
West North Central	17.7	17.8	17.8	17.8	17.9	0.7	0.5	-0.7
SOUTH	85.1	89.4	94.2	96.9	104.9	5.0	8.4	17.4
South Atlantic	42.3	45.1	48.3	50.0	55.1	6.5	10.8	22.2
East South Central	15.4	15.8	16.1	16.3	16.8	2.3	3.3	6.9
West South Central	27.4	28.5	29.9	30.6	33.0	4.0	7.5	15.7
WEST	50.5	53.9	57.5	59.4	65.6	6.6	10.3	21.8
Mountain	13.5	14.4	15.5	16.0	17.7	6.9	10.9	22.3
Pacific	37.0	39.4	42.0	43.4	47.9	6.5	10.1	21.6

* Based on unrounded totals.

Source: (Same as above)

POPULATION TRENDS: REGIONS, DIVISIONS, STATES

Trends By Age

Patterns in age distribution of the population by regions generally reflect projected changes for the country as a whole. Based on recent trends, in the remainder of this decade all four regions are expected to register increases in the pre-school age population. Overall the population aged 5 to 17 years will increase slightly, from 45.1 million in 1986 to 45.6 million by 1990. However, a decrease in this age group can be expected in the Northeast and Midwest Regions, while increasing in the West (by 663,000 compared with 1986) and in the South (by 291,000).

All four regions are projected to show a decline in young adults (age 18 to 24), and increases in the groups age 25 to 44 and 45 to 64, as well as in the population over 65.

Estimates and Projections of the Distribution of the Population, By Age, For Regions: 1986, 2000, 2010
(As of July 1)

		Ages (Years					
Year & Region	All Ages	Under 5	5-17	18-24	25-44	45-64	65 & Over
PERCENT DISTRIBUTION WITHIN REGION:							
1986:							
United States	100.0	7.5	18.7	11.5	31.5	18.7	12.1
Northeast	100.0	6.7	17.5	11.5	30.7	20.3	13.4
Midwest	100.0	7.4	19.2	11.5	30.8	18.6	12.5
South	100.0	7.6	19.2	11.7	31.1	18.5	11.9
West	100.0	8.3	18.7	11.2	33.6	17.5	10.6
2000:							
United States	100.0	6.3	18.2	9.3	30.2	22.9	13.0
Northeast	100.0	5.8	17.4	8.5	30.6	23.5	14.2
Midwest	100.0	6.4	18.7	9.3	29.6	22.7	13.3
South	100.0	6.3	18.1	9.5	29.9	23.0	13.2
West	100.0	6.7	18.6	9.8	30.9	22.5	11.5
2010:							
United States	100.0	6.0	16.2	9.5	26.4	27.9	14.0
Northeast	100.0	5.4	15.6	9.1	26.7	28.6	14.6
Midwest	100.0	6.1	16.7	9.6	25.7	27.8	14.0
South	100.0	5.9	16.1	9.5	26.0	28.1	14.4
West	100.0	6.5	16.5	9.8	27.5	27.1	12.6
PERCENT DISTRIBUTION BY REGION:							
1986:							
United States	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Northeast	20.8	18.5	19.3	20.7	20.2	22.6	23.0
Midwest	24.6	24.2	25.2	24.6	24.1	24.5	25.4
South	34.4	34.9	35.3	35.0	34.1	34.0	33.9
West	20.2	22.4	20.2	19.8	21.6	18.9	17.8
2000:							
United States	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Northeast	19.4	17.8	18.5	17.7	19.6	19.8	21.1
Midwest	22.3	22.6	22.9	22.2	21.8	22.1	22.7
South	36.2	36.0	36.0	36.9	35.8	36.3	36.7
West	22.2	23.6	22.7	23.2	22.7	21.8	19.5

(continued)

Estimates and Projections of the Distribution of the Population, By Age, For Regions: 1986, 2000, 2010
(As of July 1)
(continued)

Year & Region	All Ages	Under 5	5-17	18-24	25-44	45-64	65 & Over
2010:							
United States	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Northeast	18.6	16.8	17.9	17.8	18.8	19.1	19.5
Midwest	20.9	21.5	21.6	21.1	20.4	20.9	21.0
South	37.2	36.6	36.8	37.2	36.6	37.4	38.5
West	23.3	25.2	23.7	24.0	27.2	22.6	21.0

Source: U.S. Bureau of the Census, Current Population Reports: Projections of the Population of States, by Age, Sex and Race: 1988 to 2010 Series P-25, No.1017 (October 1988)

Estimates and Projections of the Median Age, By Regions: 1986, 1990, 2000, 2010
(As of July 1)

Year	United States	Northeast	Midwest	South	West
1986	31.7	33.5	31.6	31.4	31.0
1990	33.0	34.5	32.9	32.8	32.3
2000	36.5	37.6	36.5	36.5	35.3
2010	39.0	40.3	38.8	39.4	37.4

Source: U.S. Bureau of the Census, Current Population Reports: Projections of the Population of States, by Age, Sex and Race: 1988 to 2010 Series P-25, No.1017 (October 1988)

Trends By Race

When the complete census of the population was compiled covering the year 1980, Blacks constituted 11.8% of the U.S. population. Over half (53%) of the 26.7 million Blacks were residents of the South, where they accounted for 18.7% of the resident population. Between 1980 and 2010, the Black population is projected to increase at a rate more than twice as fast as the White population, increasing 45% compared with the 17% growth projected for the White population. Each region is expected to share in the increase, but the heaviest concentration will remain in the South, where Blacks will represent close to 20% of the population by year 2010.

Races other than White and Black will continue to register the greatest gains in the West due to immigration of Asians and Pacific Islanders. They will increase their share of population in the West from 6.7% in 1980 to a projected 12.8% in year 2010.

POPULATION TRENDS: REGIONS, DIVISIONS, STATES

Trends By Race (continued)

Projections of the Population, By Race, For Regions: 1990, 2000, 2010 Compared with 1980

(As of July 1, except April 1, 1980)

Year/Race	United States	Northeast	Midwest	South	West
1980					
All races (thousands)	226,546	49,135	58,866	75,372	43,172
Percent	100.0%	100.0%	100.0%	100.0%	100.0%
White	85.9	88.5	89.8	80.2	88.0
Black	11.8	10.1	9.1	18.7	5.3
Other races	2.3	1.4	1.1	1.1	6.7
1990					
All races (thousands)	249,891	50,577	59,777	87,276	52,261
Percent	100.0%	100.0%	100.0%	100.0%	100.0%
White	84.1	86.4	88.2	79.5	85.1
Black	12.4	11.3	10.0	18.8	5.6
Other races	3.5	2.3	1.8	1.7	9.3
2000					
All races (thousands)	267,747	51,810	59,596	96,919	59,422
Percent	100.0%	100.0%	100.0%	100.0%	100.0%
White	82.6	84.7	86.7	78.7	83.0
Black	13.1	12.3	11.0	19.1	6.0
Other races	4.3	3.0	2.3	2.2	11.0
2010					
All races (thousands)	282,055	52,496	59,018	104,919	65,622
Percent	100.0%	100.0%	100.0%	100.0%	100.0%
White	81.1	83.0	85.3	77.8	80.9
Black	13.7	13.2	11.9	19.7	6.3
Other races	5.2	3.8	2.8	2.5	12.8

Note: Hispanics may be included in any race.

Source: U.S. Bureau of the Census, Current Population Reports: Projections of the Population of States, by Age, Sex and Race: 1988 to 2010 Series P-25, No.1017 (October 1988)

It is estimated that legal immigration will average about 620,000 a year by the early 1990s, up from the current rate of about 20,000. Relatives of present residents, plus refugees from Southeast Asia will account for most of these. Others will come in through the "preference system" applying to adult children of citizens or aliens, professional and technical people. Illegal immigrants may average as high as 500,000 a year in the 1990's, with crackdowns slowed as they fill gaps in the labor force.

HISPANICS

In March 1988 the Hispanic civilian noninstitutional population numbered 19.4 million, 8.1% of the U.S. population compared with its 6.5% share in 1980. Most are of Mexican origin, but the biggest gain in recent years has been in the number of Hispanics with Central and South American origins. About half the population growth in the Hispanic population since 1980 resulted from net migration and half from natural increase (the number of births minus the number of deaths).

Trends by Race (continued)

HISPANICS

The median age for all Hispanics as of March 1988 was 25.5 years (compared with a median of 32.9 for the total U.S. population excluding Hispanics). The youngest group has origins in Mexico (median age 23.9); the oldest is of Cuban origin (median age of 38.7 years).

The Hispanic population does not present a monolithic market. In addition to age, these is considerable variation in the composition of the market based on country of origin, reflecting a variety of customs and product preferences. Overall, 50.2% of the Hispanics are male, 49.8%, female. However, males account for 51.5% of those with Mexican origins, 46.7% of the Puerto Ricans, 50.9% of the Cubans, 47.3% of those from Central and South America.

Hispanic Population of the U.S. By Ethnic Group; 1980, 1988
(Civilian noninstitutional population in thousands)

	1988			1980		% Change in Number
	Number	%	Median Age Yrs.	Number	%	1988/1980
Hispanic population	19,431	100.0%	25.5	14,458	100.0%	34.4%
Ethnic Groups (origins):						
Mexican	12,110	62.3	23.9	8,654	59.9	39.9
Puerto Rican	2,471	12.7	24.9	1,983	13.7	24.6
Cuban	1,035	5.3	38.7	799	5.5	29.5
Central & South America	2,242	11.6	27.6	3,022	20.9	26.2
Other Hispanic	1,573	8.1	29.7			

Source: U.S. Bureau of the Census, Current Population Reports: This Hispanic Population of the U.S. March 1988 (Advance Report) Series P-20, No. 431

Because more than 6 out of 10 Hispanics are of Mexican origin, there is a large concentration of this population group in California and Texas.

Hispanic Population For Selected States: March 1988
(Numbers in thousands)

	Number	% of Total
U.S. Total	19,431	100.0%
California	6,589	33.9
Texas	4,134	21.3
New York	2,122	10.9
Other states	6,586	33.9

Source: U.S. Bureau of the Census (above noted report)

Trends by Race (continued)

HISPANICS

According to Sales & Marketing Management (February 1988), in 1986 2.6 million Hispanics resided in the Los Angeles area, 1.7 million in the New York area, 744.5 million in Miami. The fastest growing Hispanic metropolitan areas from 1981 to 1986 were Riverside-San Bernardino, California (+35.5%) and San Diego (+26%).

The 1988 New York Hispanic Market Study (Strategy Research Corp., Miami, FL) estimated the New York ADI (area of dominant influence) had an Hispanic population of 2.5 million--up 23.6% compared with 1980. Puerto Ricans represented 45.1% of New York's Hispanics, down from 46.8% in 1985, reflecting the growth in arrivals from Central and South America.

ASIANS & OTHERS

At just over 5 million people, the Asian population is relatively small compared to the more than 18 million Hispanics and nearly 30 million Blacks. However, they are registering a rapid gain due not only to immigration but to their high birth totals. Between 1978 and 1980, the number of births for this group rose by approximately 30% while births for whites and Blacks increased by 8% and 7% respectively. The Population Reference Bureau projects a growth of 165% in the number of Asian-Americans in the U.S. between 1980 and 2000.

More than two-thirds of the Asian population of the U.S. is currently concentrated in three states: California, Hawaii, and New York. It is however, a highly fragmented market--including Chinese, Koreans, Vietnamese, Filipinos and Japanese. The Chinese represent the biggest single group at the present time, but it is expected that they will soon be outnumbered by Filippino Americans.

ILLEGALS

The population size of illegal residents of the U.S can only be estimated, but by any measure it is large. The Census Bureau estimated that 2 million illegals were included in the 1980 census. The total number of undocumented aliens living in the U.S. in 1980 was estimated at between 2.5 and 3.5 million by the Census Bureau. The current total is estimated at some 4 to 5 million.

An analysis by the Census Bureau indicated that 80% were in just five states: California, New York, Texas, Illinois, and Florida--and generally are an important labor pool in these States, as well as offering a large consumer market.

State Population Trends

Based on recent counts, California is projected by the Census Bureau to remain the most populous State for the next 25 years. New York will hold on to second place until after 1990; then Texas will move into this position and New York will replace Texas in third position. Florida is expected to continue to rank fourth, followed by Illinois, which would move ahead of Pennsylvania to become the fifth most populous State by the year 2000.

Between 1988 and 1992, eight States will have a growth rate more than twice that of the Nation, which is projected to increase 3.4%. Six of these States are in the West: Nevada (+10.4%), Utah (+11.5%), New Mexico (+9.5%), California (+7.3%) , Alaska (+8.3%) and Hawaii (+7.3%). Two are in the South: Georgia (+8.7%) and Florida (+9.2%).

The total U.S. resident population is expected to increase by 14.9% from 1992 to 2010, with States in the West and the South registering the biggest gains.

POPULATION TRENDS: REGIONS, DIVISIONS, STATES

State Population Trends (continued)

Projected Population of States: Selected Years 1988-2010
(As of July 1; Number in thousands)

	1988	1992	1997	2000	2010	% Change	
						1992/ 1988	2010 1992
New England							
Maine	1,193	1,228	1,257	1,271	1,308	2.9%	6.5%
New Hampshire	1,088	1,190	1,286	1,333	1,455	9.4	22.3
Vermont	552	570	584	591	608	3.3	6.7
Massachusetts	5,849	5,917	6,028	6,087	6,255	1.2	5.7
Rhode Island	989	1,014	1,037	1,049	1,085	2.5	7.0
Connecticut	3,235	3,321	3,406	3,445	3,532	2.7	1.1
Middle Atlantic							
New York	17,755	17,808	17,933	17,986	18,139	0.3	1.0
New Jersey	7,756	8,042	8,379	8,546	8,980	3.7	11.7
Pennsylvania	11,860	11,782	11,617	11,503	11,134	- 0.7	- 5.5
East North Central							
Ohio	10,779	10,787	10,700	10,629	10,397	0.1	- 3.6
Indiana	5,531	5,557	5,529	5,502	5,409	0.5	- 2.7
Illinois	11,584	11,628	11,611	11,580	11,495	0.4	- 1.1
Michigan	9,231	9,326	9,294	9,250	9,097	1.0	- 2.5
Wisconsin	4,797	4,814	4,803	4,784	4,713	0.3	- 2.1
West North Central							
Minnesota	4,271	4,371	4,455	4,490	4,578	1.0	3.7
Iowa	2,803	2,715	2,610	2,549	2,382	- 3.1	-12.3
Missouri	5,132	5,243	5,338	5,383	5,521	2.2	5.3
North Dakota	669	653	638	629	611	- 2.4	- 6.4
South Dakota	707	709	712	714	722	0.3	1.8
Nebraska	1,593	1,583	1,567	1,556	1,529	- 0.6	- 3.4
Kansas	2,477	2,504	2,521	2,529	2,564	1.1	2.4
South Atlantic							
Delaware	649	681	715	734	790	4.9	16.0
Maryland	4,599	4,853	5,130	5,274	5,688	5.5	17.2
District of Columbia	617	614	625	634	672	- 0.5	9.4
Virginia	5,977	6,325	6,688	6,877	7,410	5.8	17.1
West Virginia	1,886	1,828	1,760	1,722	1,617	- 3.1	-11.5
North Carolina	6,512	6,862	7,261	7,483	8,154	5.4	18.8
South Carolina	3,464	3,629	3,808	3,906	4,205	4.8	15.9
Georgia	6,384	6,938	7,594	7,957	9,045	8.7	30.4
Florida	12,249	13,376	14,700	15,415	17,530	9.2	31.1

(continued)

POPULATION TRENDS: REGIONS, DIVISIONS, STATES

State Population Trends (continued)

Projected Population of States: Selected Years 1988-2010
(As of July 1; Number in thousands)
(continued)

	1988	1992	1997	2000	2010	% Change 1992/ 1988	% Change 2010 1992
East South Central							
Kentucky	3,738	3,748	3,741	3,733	3,710	0.3	- 0.1
Tennessee	4,891	5,044	5,189	5,266	5,500	3.1	9.0
Alabama	4,119	4,237	4,349	4,410	4,609	2.9	8.8
Mississippi	2,661	2,737	2,827	2,877	3,028	2.9	10.6
West South Central							
Arkansas	2,400	2,451	2,502	2,529	2,624	2.1	7.1
Louisiana	4,507	4,517	4,516	4,516	4,545	0.2	0.6
Oklahoma	3,288	3,291	3,340	3,376	3,511	0.1	6.7
Texas	17,192	18,232	19,509	21,295	22,281	6.0	22.2
Mountain							
Montana	811	801	796	794	794	- 1.2	- 0.9
Idaho	1,009	1,024	1,039	1,047	1,079	1.5	5.4
Wyoming	505	499	492	489	487	- 1.2	- 2.4
Colorado	3,350	3,517	3,711	3,813	4,098	5.0	16.5
New Mexico	1,557	1,705	1,875	1,968	2,248	9.5	31.8
Arizona	3,542	3,949	4,384	4,618	5,319	11.5	34.7
Utah	1,722	1,826	1,934	1,991	2,171	6.0	18.9
Nevada	1,021	1,127	1,242	1,303	1,484	10.4	31.7
Pacific							
Washington	4,564	4,738	4,903	4,991	5,282	3.8	11.5
Oregon	2,733	2,794	2,847	2,867	2,991	2.2	7.0
California	28,074	30,111	32,300	33,500	37,347	7.3	24.0
Alaska	554	600	658	687	765	8.3	27.5
Hawaii	1,101	1,181	1,284	1,345	1,559	7.3	32.0

Source: U.S. Bureau of the Census, Current Population Reports:
Projections of the Population of States: 1988 to 2010
Series P-25, No. 1017

Age/Sex

The median age of the U.S. population in 1987 was 32.1 years. There was a wide range in the median age by States, however. Florida has the highest at 36.3 years, followed by New Jersey at 34.2. Utah's high birthrate resulted in that State's median age of 25.5, the lowest for any State.

Females outnumber males except in Alaska, Hawaii, Nevada, North Dakota, and Wyoming, which have a preponderance of males.

Metropolitan Areas

The nation has 37 metropolitan areas with at least one million population, according to 1987 estimates by the Census Bureau, and these areas had 48.9% of the national population of 243.4 million. In total, there are 282 designated metropolitan areas, with population of 187.1 million--77% of the U.S. total.

POPULATION TRENDS: REGIONS, DIVISIONS, STATES

Metropolitan Areas (continued)

Between 1980 and 1987, the population of metropolitan areas increased 8.5%, while the growth in nonmetropolitan territory was only 4.1%. However, nearly one-fifth of the nation's metropolitan areas have been losing population in the 1980s. Twenty-nine of these are in the Midwest and 12 in the Northeast, and include Buffalo, Pittsburgh, Detroit, Cleveland and Milwaukee.

Phoenix has been the fastest growing metro area of a million or more, gaining 30% in population between 1980 and 1987, followed by Dallas Fort Worth at 27%. Among all metropolitan areas, Naples and Ocala, FL lead in population growth since 1980, each increasing by nearly 50%. Seven of the 10 fastest growing areas now are in Florida.

The 10 Largest Metropolitan Statistical Areas By Population Rank: 1987

Phoenix has been the fastest growing metro area of a million or more, gaining 30% in population between 1980 and 1987, followed by Dallas Fort Worth at 27%. Among all metropolitan areas, Naples and Ocala, FL lead in population growth since 1980, each increasing by nearly 50%. Seven of the 10 fastest growing areas now are in Florida.

The 10 Largest Metropolitan Statistical Areas By Population Rank: 1987

Dallas-Fort Worth, TX	3,725	8	10
Washington, D.C. - MD-VA	3,646	9	8
Houston-Galveston-Brazoria, TX	3,626	10	9

Source: U.S. Bureau of the Census: Advance Release, (Sept. 30, 1988)

While metropolitan areas in the aggregate gained population at the expense of nonmetropolitan areas, the central cities of metropolitan areas lost population to both nonmetropolitan areas and to the suburbs. The suburbs have been gaining population from both types of areas.

MIGRATION/MOBILITY RATES

The Census Bureau compiles an annual report on geographical mobility rates--the percent of the total population age 1 year and over who changed their residence in the previous 12 month period. The rate reached a peak of 20.2% in the 1984-85 period. In the latest period measured, covering March 1985 to March 1986, the rate dropped to 18.6--well above a low of 16.6 reported in 1982-1983.

A dropoff in mobility rates may be expected as the population of young adults declines. Of the population age 20 and over, the highest percentage changing residence in the U.S. in the 12 month period ending March 1986 were age 20-24 years (35.2%); the second highest 25-29 years (32.8%); third highest, in the 30-34 age group (22.5%). Then the rate falls sharply with advancing age groupings.

MIGRATION/MOBILITY RATES (continued)

Mobility Status & Type of Movement of the Adult Population: 1985-86
By Age Groups

Age Group	Total Population		Total	Percent Moving Within U.S.		Percent Moved
	Thousands	%		Same County	Different County	From Abroad
20-24	19,948	100.0	35.2	22.2	13.1	1.1
25-29	21,619	100.0	32.8	20.4	12.5	0.8
30-34	20,434	100.0	22.5	14.4	8.1	0.6
35-44	32,508	100.0	15.7	9.7	6.0	0.5
45-54	22,662	100.0	10.1	6.1	4.0	0.3
55-64	22,061	100.0	7.4	3.9	3.5	0.2
65-74	16,879	100.0	4.5	2.5	2.0	0.1
75 & older	10,442	100.0	5.4	3.2	2.3	0.1
U.S. age 1 & over	232,998	100.0	18.0	11.3	6.7	0.5

Source: U.S. Bureau of the Census, Current Population Reports:
Geographical Mobility: March 1985-March 1986
Series P-20, No. 425

MARITAL STATUS/MARRIAGES

The percentage of young adults in their twenties and early thirties who have never married has increased substantially since 1970. The proportion of men 20 to 24 years old not yet married increased from 55% in 1970 to 78% in 1988. Among women of the same age, and in the same period, the proportion went from 36% to 61%.

Furthering education or establishing a career are factors in postponing marriage, as well as economic uncertainties and housing shortages. The longer marriage is postponed, the greater the likelihood that it may never occur, and since the proportions of never marrieds have also increased dramatically for men and women in their late twenties and early thirties, it is possible that the percentage of singles in the population will increase.

The median age of men at first marriage was 25.9 years in 1988--the oldest reported since 1900, when it was also 25.9 years. In both 1987 and 1988 the median age for women was 23.6 years, a record age level.

Marital Status of the Population Age 20-64: March 1987

Males	20-24	25-29	30-34	35-39	40-44	45-54	55-64
Number (thous.)	9,499	10,694	10,448	9,163	7,365	11,151	10,277
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Single (never married)	77.7	42.2	23.1	12.4	6.9	5.9	5.8
Married, wife present	19.0	49.2	64.7	72.2	77.8	80.5	81.3
Married, wife absent	1.7	3.1	4.0	4.4	4.0	3.7	2.7
Widowed	0.1	-	0.1	0.2	0.5	1.2	2.9
Divorced	1.5	5.4	8.0	10.9	10.8	8.8	7.3

(continued)

Marital Status of the Population Age 20-64: March 1987
(continued)

Females	20-24	25-29	30-34	35-39	40-44	45-54	55-64
Number (thous.)	9,859	10,942	10,552	9,423	7,630	11,866	11,606
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Single (never married)	60.8	28.8	14.6	8.4	6.4	4.5	4.2
Married, wife present	32.8	58.6	68.2	71.4	71.7	72.4	67.1
Married, wife absent	3.1	4.7	5.2	5.4	5.0	4.2	3.0
Widowed	0.1	0.3	0.8	1.3	2.4	5.8	16.7
Divorced	3.2	7.6	11.2	13.6	14.5	13.1	9.0

Source: U.S. Bureau of the Census, Current Population Reports: Marital Status & Living Arrangements: March 1987 (Series P-20, No. 423)

Marriages

Although more couples married in 1987 than in 1986 (2,421,000 vs. 2,400,000) the marriage rate fell from 10.0 per 1,000 population to 9.9, as the increase in marriages did not keep pace with population growth.

The marriage rate, recorded since 1867, has varied between a high of 16.4 in 1946 and a low of 7.9 in the depression year of 1932. The 1987 rate is the lowest marriage rate since 1977 when it was also 9.9; as it marked the third consecutive drop in the marriage rate. In the 12 months ending November 1988, the marriage rate was 9.7 compared with 10.0 in the same period of 1987 and 1986, according to provisional data compiled by the National Center for Health Statistics, U.S. Dept. of Health and Human Services.

Marriages in 1987 followed the usual seasonal pattern with the highpoint in June, the low in January.

Monthly Patterns: 1987

	Number	Percent	Rate Per 1000 Population
Total	2,421	100.0%	9.9
January	132	5.4	6.4
February	133	5.5	7.1
March	174	7.2	8.5
April	192	7.9	9.6
May	231	9.5	11.2
June	288	11.9	14.4
July	230	9.5	11.1
August	233	11.3	9.6
September	228	9.4	11.4
October	206	8.5	9.9
November	174	7.2	8.7
December	200	8.3	9.7

Source: U.S. Department of Health & Human Services, National Center For Health Statistics: Annual Summary of Births, Marriages, Divorces, Deaths, U.S. 1987 (July 29, 1988)

Marriages (continued)

Regional and State statistics are compiled based on either marriages reported or marriage licenses issued, resulting in a larger national total. However, the pattern by divisions in 1987 was reported as follows by the National Center for Health Statistics.

	Number of Marriages	Percent	Rate Per 1000 Population
Total reported	2,423,273	100.0%	--
New England	119,193	4.9	9.3
Middle Atlantic	317,164	13.1	8.5
East North Central	352,585	14.5	8.4
West North Central	149,838	6.2	8.5
South Atlantic	443,768	18.3	10.6
East South Central	173,024	7.1	11.3
West South Central	289,459	12.0	10.8
Mountain	245,060	10.1	18.6
Pacific	333,182	14.0	9.1

Further data on marriages in the U.S are reported by the National Center for Health Statistics for 1985. In terms of age, the average at first marriage has risen each year since 1972, reaching a mean of 24.0 for brides and 25.9 for grooms in 1985. For previously divorced brides and grooms the mean age at remarriage generally dropped until the mid-70s, then started upward, reaching 34.2 years for brides and 37.8 years for grooms.

The mean interval for remarriage in 1985, was 3.6 years for divorced women, 6.5 years for widows. Comparable averages for men were 3.2 and 3.7 years.

Age at marriage differs by race. At first marriage in 1985 white brides (23.2 years) were approximately 2 years younger than black brides (25.3 years), or brides of other races.

The characteristics of the bridal market have changed a great deal. Over one out of three marriages are second marriages. Brides and grooms are older--either having postponed marriage or remarrying. A substantial share of marriage-age population may never marry and totals are expected to fall as the current crop of young adults grows older.

Marriages & Percent Distribution of Marriages By Sex & Age: 1985

	Women			Men		
	Number	Percent	Rate*	Number	Percent	Rate*
First Marriages						
Total	1,196,119	100.0%	61.5	1,185,904	100.0%	50.1
Age Groups:						
15 - 19	248,421	20.8	34.0	95,681	8.1	12.1
15 - 17	60,248	5.0	13.4	9,395	0.8	2.0
18 - 19	188,173	15.7	67.2	86,286	7.3	27.6
20 - 24	554,239	46.3	102.1	514,846	43.4	74.5
25 - 29	268,469	22.4	103.5	373,856	31.5	99.2
30 - 34	82,675	6.9	66.3	130,882	11.0	70.7
35 - 39	25,363	2.1	37.2	42,764	3.6	51.6
40 - 44	8,469	0.7	24.1	13,340	1.1	27.1
45 & over	8,483	0.8	--	14,535	1.2	--

(continued)

MARITAL STATUS/MARRIAGES

Marriages (continued)

Marriages & Percent Distribtuion of Marriages By Sex & Age: 1985
(continued)

	Women			Men		
	Number	Percent	Rate*	Number	Percent	Rate*
Remarriages						
Age Groups:						
Total	623,867	100.0%	36.1	635,086	100.0%	95.7
15 - 19	5,526	0.9	--	800	0.1	--
20 - 24	69,465	11.1	254.5	31,233	4.9	247.9
25 - 29	134,467	21.6	183.2	101,523	16.0	191.6
30 - 34	136,383	21.9	123.8	130,936	20.6	163.1
35 - 39	104,038	16.7	93.8	119,470	18.8	161.7
40 - 44	65,165	10.4	59.8	80,933	12.7	119.0
45 - 49	38,860	6.2	40.3	53,914	8.5	105.9
50 - 54	23,421	3.8	25.0	35,301	5.6	79.9
55 - 59	15,955	2.6	13.7	27,651	4.4	60.5
60 - 64	12,724	2.0	8.2	20,062	3.2	40.6
65 & over	17,863	2.9	2.2	33,263	5.2	18.0

* Rates for first marriages are based on the never-married population in each age group; rates for remarriages, on the widowed and divorced population per 1,000 population in specified age groups.

Source: National Center For Health Statistics: Advance Report of Final Marriage Statistics 1985 Vol. 37, No. 1, Supplement (April 29, 1988)

The marriage rates compiled for 1985 showed that if there is no change, only 70% of American women would ever marry, compared with 87% indicated in 1972 rates. If this continues it would indicate a significant change in marriage/family patterns.

Divorces

The estimated number of divorces in the U.S. fell less than 1% in 1987 compared with 1986, reaching 1,159,000. The divorce rate remained the same at 4.8 per 1,000 population. The peak was 5.3 in 1979 and 1981.

In the 12 months ending November 1988, there were 1,170,000 divorces, matching the 1987 comparable rate of 4.8 per thousand population but with a gain of 11,000 in number, according to the National Center for Health Statistics.

HOUSEHOLDS/FAMILIES

Composition

Two major categories of households (comprising the person or persons who occupy a housing unit) are identified by the Census Bureau: family and nonfamily. A family or family household consists of at least two persons: the householder (formerly identified as the household head) and one or more additional persons related to the householder by blood, marriage, or adoption. A nonfamily household is composed of a householder who either lives alone or exclusively with persons to whom the householder is not related.

Within the family household classification, the Census Bureau distinguishes three major types of family households: married-couple families, families with female householders (no husband present), and families with male householders (no wife present). Within these three broad categories is an array of family situations which differ considerably in characteristics of interest to marketers. For example, there are family households composed of young couples who have no children, two-parent families, one-parent families, and older couples whose children have left home. Important changes are occurring in the composition of the Nation's families and households as the population ages.

As of March 1988 there were 91.1 million households in the U.S., a net increase of 1.6 million compared with the count a year earlier. Family households are the major type, but have been accounting for a declining share of the household total. Families represented 72% in 1988, down from 74% in 1980 and 81% in 1970.

The composition of family households has also changed. Until recently, the majority had at least one child among their members. In 1988, such families numbered 31.9 million vs. 33.2 million with no child under age 18. One-child families accounted for 41% of families with children compared with 32.5% in 1970. The number and share of the family total represented by two-parent families have also declined. Two-parent families with children under 18 represented 27% of households in 1988, down from 40% in 1970. Married couple families with only one or two children have increased in number since 1970, while the number with three or more children has declined significantly.

A major change in family composition has resulted from the increased number of divorces and remarriages. The Census Bureau estimates there were 4.3 million stepfamiies in 1987 containing 8.67 million minor children. Approximately 1,300 new stepfamiles are formed each day. The Stepfamily Association of America (Baltimore, MD), predicts that by the turn of the century, stepfamilies, including those with adult children, will be the most common form of family.

There were 25.9 million nonfamily households in 1988--most (84%) were persons living alone. There was a 20% increase in the number of one-person households between 1980 and 1988, substanially lower than the 54% increase in the eight-year perod 1970-1978. 21,128,000 persons lived alone in March 1987 compared with 17,816,000 in 1980.

Fewer children per family, more one-parent families, and larger numbers of pesons living alone have reuslted in the trend noted since the mid-1960s toward smaller households. In 1988, the average number of persons per household was 2.64; per family, 3.17--the lowest levels recorded. Comparable figures in 1964 were 3.33 and 3.70, respectively.

The average number of children under 18 years of age per household fell from 1.23 in 1964 to 0.70 in 1988. The average per family declined from 1.44 to 0.96.

HOUSEHOLDS/FAMILIES

Composition (continued)

Household & Family Units, By Type: 1970, 1980, 1988

	1988		1980		1970	
	Number	Percent	Number	Percent	Number	Percent
Households, total	91,066	100.0%	80,776	100.0%	63,401	100.0%
Family households, total	65,133	71.5	59,550	73.7	51,456	81.2
Married-couple family	57,809	56.9	49,112	60.8	44,728	70.5
Other family households:						
Male householder	2,715	3.0	1,733	2.1	1,228	1.9
Female householder	10,698	11.6	8,705	10.8	5,500	8.7
Nonfamily households	25,933	28.5	21,226	26.3	11,945	18.8
Living alone	21,889	24.0	18,296	22.7	10,851	17.1
Male householder	11,310	12.4	8,807	10.9	4,063	6.4
Female householder	14,624	16.1	12,419	15.4	7,882	12.4
Average population Per household:						
All ages	2.64	--	2.76	--	3.14	--
Under 18 years	0.70	--	0.79	--	1.09	--
18 years & over	1.94	--	1.97	--	2.05	--
Per family:						
All ages	3.17	--	3.29	--	3.58	--
Under 18 years	0.96	--	1.05	--	1.34	--
18 years & over	2.21	--	2.23	--	2.25	--

Source: U.S. Bureau of the Census, Current Population Reports: Households, Families, Marital Status: March 1988, Advance Report (Series P-20, No. 417), Issued Sept. 1988

Of the 21,889,000 single person households in 1988, males comprised 8,788,000 (40%); females, 13,101,000 (60%). In 1980, males represented 38% of the single person households; females 62%.

As of March 1988, 46% of the family households had own children under 18 years of age. This compares with 52% of the family households in 1980; 56% in 1970. The number of family households with children under 18 (31,920,000) registered a gain of 2.9% over the 1980 total (31,022,000). From 1970 to 1980, the number of families with own children under 18 rose almost 8%.

Data for 1988 household family composition has been published in an advance report on the annual March current population survey (noted in above table), and a detailed report on survey results will be published by the Census Bureau in 1989. Details that follow are from the March 1987 survey report published in 1988.

Composition (continued)

In 1987, there were 89,479,000 households in the U.S., of which 64,491,000 were family households. 24,988,000 were non-family households (composed entirely of unrelated persons or of single persons). Reflecting the maturing of the baby boomers, and the size of this group, households headed by young adults age 35 to 44 accounted for 21% of the 1987 total compared with their 17.3% share in 1980. The number of household heads in the 35-44 age group, increased 34% in this period. In the 25-34 age group, the number rose 11% from 1970 to 1987 and this group accounted for almost 23% of all households. The concentration of households with adult heads in the prime household formation and earning years will continue for sometime and favors new housing and related markets.

Composition of U.S. Households: March, 1987

		Family Households			Nonfamily Households	
			Other Family			
	All Households*	Married Couple	Male Hshlder.	Female Hsholdr.	Male Hshlder.	Female Hshlder.
Total number (000)	89,479	51,537	2,510	10,445	10,652	14,336
Percent	110.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Age of householder**						
Under 25	5.8	3.6	9.5	8.1	11.7	7.1
25 to 29	10.8	10.0	10.7	12.0	16.8	8.2
30 to 34	12.1	13.0	9.9	14.0	14.3	6.3
35 to 44	20.9	23.6	25.7	25.6	18.6	8.7
45 to 54	14.8	17.4	17.4	15.5	10.5	7.6
55 to 64	14.4	16.0	12.0	11.5	10.1	14.3
65 to 74	12.6	11.5	9.2	7.4	9.6	22.9
75 years & older	8.7	4.9	5.6	6.0	8.4	24.8
Size of household						
No. of persons:						
One	23.6%	--	--	--	77.4%	89.9%
Two	32.0	38.1%	54.7%	43.1	17.0	8.9
Three	18.1	22.7	27.8	31.2	3.4	0.9
Four	15.6	23.3	9.5	14.7	1.5	0.3
Five or more	10.7	15.9	8.0	11.0	17.7	--
Total persons (000)	238,261	168,302	7,232	32,238	14,303	16,186
Persons per household	2.66	3.27	2.88	3.09	1.34	1.13
Related children under 18 years-% of hslds.						
None	62.2%	50.4%	54.7%	32.1%	100.0%	100.0%
With children under 18	37.8	49.6	45.3	67.9	--	--
One child	16.1	20.1	28.0	32.1	--	--
Two	14.0	19.2	12.1	22.2	--	--
Three	5.3	7.4	3.8	8.5	--	--
Four or more	2.3	2.9	1.3	5.1	--	--

(continued)

Composition (continued)

Composition of U.S. Households: March, 1987
(continued)

		Family Households			Nonfamily Households	
			Other Family			
	All Households*	Married Couple	Male Hshlder.	Female Hsholdr.	Male Hshlder.	Female Hshlder.
Race/Hispanic Origin of householder						
Total households	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
White	86.4	90.0	81.2	69.2	84.8	87.7
Black	11.1	7.3	15.4	28.4	12.3	10.5
Hispanic origin***	6.1	6.0	10.1	9.9	4.9	3.4
Household distribution by region						
Total households	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Northeast	21.1	20.4	23.9	21.7	20.8	23.0
Midwest	24.6	24.9	22.7	23.5	23.2	25.5
South	34.2	34.9	29.9	36.6	32.9	31.9
West	20.1	19.9	23.6	18.2	23.1	19.6

* A household consists of all the persons who occupy a housing unit--a house, an apartment or other group of rooms, or a single room. The count of households excludes group quarters.

** The term "householder" has replaced the term "head". The householder refers to the person (or one of the persons) in whose name the housing unit is owned or rented (maintained), or, if there is no such person, any adult member excluding roomers, boarders, or paid employees. The number of householders is equal to the number of households.

***Persons of Hispanic origin may be of any race.

Source: U.S. Bureau of the Census, Current Population Reports: Household & Family Characteristics: March 1987, Series P-20, No. 424 (Issued 1988)

Composition (continued)

Selected Characteristics of U.S. Family Households: March 1987
(Number in thousands)

	Number	Percent
Total Family households*:	64,491	100.0%
Married couple families	51,537	79.9
Other families	12,955	20.1
Male householder (head)	2,510	3.9
Female householder	10,455	16.2
With members:		
Under 18 years	33,837	52.5
18 to 64 years	58,684	87.9
65 & over	12,088	18.7
With own children of any age	41,629	64.5
With own children under 18 years	31,898	49.5
With own children 12 to 17 years	14,668	22.7
With own children 6 to 11 years	14,299	22.2
With own children under 6 years	14,674	22.7
With own children under 3 years	8,742	13.5
Race of families:		
White	55,676	86.3
Black	7,096	11.0
Spanish origin	4,403	6.8
Tenure:		
Owner families	46,287	71.8
Renter families	18,204	28.2
Public housing	1,434	2.2
Private housing	16,770	26.0

* Related sub-family members are considered as members of one family, but unrelated subfamilies of which there were 566,000 in 1987 are not included. There were 2,286,000 related subfamilies.

Source: U.S. Bureau of the Census, Current Population Reports: Household and Family Characteristics: March 1987 (Series P-20, No. 424)

HOUSEHOLDS/FAMILIES

Composition (continued)

Selected Characteristics of Married Couple Families: March 1987

(Number in thousands)

	Number	Percent
Total married-couple families	51,537	100.0%
Age of householder (head)		
Under 25 years	1,858	3.6
25 to 29	5,170	10.0
30 to 34	6,708	13.0
35 to 39	6,502	12.6
40 to 44	5,655	11.0
45 to 54	8,947	17.4
55 to 64	8,240	16.0
65 to 74	5,935	11.5
75 & over	2,522	4.9
Joint labor force status:		
Husband & wife in labor force	26,466	51.3
Husband only in labor force	14,144	27.4
Wife only in labor force	2,317	4.5
Neither husband or wife in labor force	8,611	16.7
Family income:		
Under $10,000	3,638	7.1
$10,000 to $14,999	4,308	8.4
$15,000 to $19,999	4,752	9.2
$20,000 to $24,999	5,010	9.7
$25,000 to $49,999	21,231	41.2
$50,000 & over	12,598	24.4
Median income in dollars (all families)	$ 32,805	--
Median income by race:		
White families	33,426	--
Black families	26,583	--
Spanish-origin families	23,912	--

Source: U.S. Bureau of the Census: Current Population Reports
(Series P-20, No 424)

The number of unmarried-couple households has been increasing more slowly than in the last decade. Their number grew by 63% from 1980 to 1988, to 2.6 million, compared with a 117% increase in the 1970's. Some 31% of unmarried couple households in 1988 included one or more children under age 15, slightly higher than in 1980.

HOUSEHOLDS/FAMILIES

Geographic Distribution

The distribution of households among the States is similar to the pattern in population, and the average number of persons per household is similar to the national figure in most States.

As of July 1, 1987, state population estimates compiled by the Census Bureau ranged from 10.1 million in California to 175,000 in Alaska.

States Ranked by Largest Number of Households & Increase in Households: 1980-1987

(Numbers in thousands)

Rank		No. of Households 1986		Numerical Increase 1980-87		Percent Increase 1980-87
1	California	10,076	California	1,446	Alaska	32.8
2	New York	6,722	Florida	1,042	Nevada	30.6
3	Texas	5,960	Texas	1,031	Arizona	29.6
4	Florida	4,787	Georgia	386	Florida	27.8
5	Pennsylvania	4,447	New York	382	New Hampshire	21.0
6	Illinois	4,271	North Carolina	347	Texas	20.9
7	Ohio	4,035	Virginia	308	New Mexico	20.8
8	Michigan	3,355	Arizona	283	Georgia	20.6
9	New Jersey	2,807	New Jersey	259	Colorado	18.2
10	North Carolina	2,390	Pennsylvania	227	Hawaii	17.3

Source: U.S. Bureau of the Census, Current Population Reports: State Population & Household Estimates: 1981-1987 (Series P-25, No. 1024)

Projections

The gain in households plunged to a 30-year low of 400,000 in the year ended March 1983, then rebounded to an annual rate of 1.5 million in the next three years. In 1988 the annual gain, as of March, was about 1.6 million (91,066,000 vs. 89,479,000). Annual new household formations averaged 1.74 million in the 1970s, an estimated 1.31 million in the 1980s, and for the 1990s are expected to average 1.17 million.

Projections (continued)

The tendency of young adults to remain in the parental home has been a factor in reducing household formations. The percentage of individuals 18-24 years old living with their parents increased from about 48% in 1980 to almost 54% in 1987. A decline in real median income among the young adult population age 15-24, as well as changing social attitudes and the easing of the "sibling squeeze"--the presence of fewer younger siblings in the parental home which reduces the pressure to move out--are factors in slowing household formation by young adults.

Census Bureau projections--a series of three based on different assumptions affecting future trends--look for the number of households to range from 102.4 million to 110.2 million by year 2000. The composition of households is expected to change. Family households will continue to lose share of the total--from 72% in 1988 to about two out of three. Married couples will live in just over half of the households compared with about 57% in 1988. Nonfamily households are expected to grow in number at a faster rate than family households, but growth will be slower than in the past 15 years.

With the middle-aging of American society, as well as the birth-dearth in the 1970's, householders aged 35 to 54 will account for most of the household growth in the next 15 years, following population patterns. Those headed by persons under 30 will continue to decrease, according to the Census Bureau's projections, through the year 2000. (U.S. Bureau of the Census, Current Population reports: Projections of the Number of Households and Families: 1986-2000 (Series P-25, No. 986). The population age 25 to 34 will fall to 36.2 million by year 2000 from 43.3 million in 1987. This is the group most likely to establish new households, and the decline in their number has significant implications for growth in new housing and related products.

LIVING ARRANGEMENTS

Tenure (Owner/Renter)

Almost 2 out of every 3 households (64%) in the U.S. live in an owned home; 36% are renters. Based on households reporting in 1987, 72% lived in single housing units almost 12% were in structures of two to four units, about 17% were in multiunit structures comprised of five or more units.

LIVING ARRANGEMENTS

Tenure (Owner/Renter) (continued)

Household By Tenure: March 1987
(Number in thousands)

	Number	Percent	Percent
Total households	89,479	100.0%	--
Owner households	57,258	64.0	100.0%
Married couple households	40,054	44.8	70.0
Other family households:	6,230	6.9	10.9
Male householder	1,475	1.6	2.6
Female householder	4,755	5.3	8.3
Nonfamily households			
Male householder	3,992	4.5	7.0
Female householder	6,980	7.8	12.2
Renter households	32,221	36.0	100.0
Married couple households	11,480	12.8	35.6
Other family households:			
Male householder	1,035	1.2	3.2
Female householder	5,690	6.4	17.7
Nonfamily households			
Male householder	6,660	7.4	20.7
Female householder	7,356	8.2	22.8
Units in structure: (by number of households reporting)	81,141	100.0	100.0
One unit	58,185	--	71.7
Two units	5,517	--	6.8
Three to four units	3,941	--	4.9
Five to nine units	4,322	--	5.3
Ten or more units	9,176	--	11.3

Source: U.S. Bureau of the Census: Current Population Reports: Series P-20, No. 423

LIVING ARRANGEMENTS

Young Adults (Age 18-24)

The proportion of young adults, particularly men, living with parents has risen sharply. Among males age 18 to 24, over 61% lived with a parent or parents in 1987, up from 52% in 1960. Of those age 25 to 34, 14.5% lived with parents in 1987 compared with 11% in 1960. Among females age 18 to 24, the percent in 1987 was 47.5% compared with 35% in 1960. Of those age 25 to 34, 7.7% lived with parents in 1987, slightly higher than the 7% registered in 1960.

Young men age 20 to 24 years are more likely than women of this age to live outside of family groups--although most of them do live within family households. In 1970, about 21% of the men age 20 to 24 lived in nonfamily households--12% lived alone. Comparable figures for women of this age were 17.5% and 9.3%.

Family/Household Status, Population Age 18-24: March 1987
(Number in thousands)

	Males				Females			
	18 and 19		20 to 24		18 and 19		20 to 24	
	Number	%	Number	%	Number	%	Number	%
Total	3,530	100.0	9,499	100.0%	3,574	100.0%	9,859	100.0%
In family groups:*	3,297	93.4	7,510	79.1	3,252	91.0	8,001	81.1
Householder/spouse	99	0.3	1,888	19.9	105	2.9	3,853	39.1
Child of householder	2,914	82.5	4,959	52.2	2,520	70.5	3,252	33.0
Other	284	8.0	663	7.0	627	17.5	896	9.1
Not in family groups:	233	6.6	1,989	20.9	286	8.0	1,729	17.5
Householder	90	2.5	1,143	12.0	84	2.3	921	9.3
Other	126	3.6	807	8.5	191	5.1	768	7.8
In group quarters	17	0.5	39	0.4	11	0.3	40	0.4

* Includes families related to households as well as unrelated subfamilies.

Source: U.S. Bureau of the Census, Current Population Reports: Marital Status and Living Arrangements: March 1987 (Series P-20, No. 423)

Adults (Age 25 & Over)

The following table profiles the household status of male and female adults over 24 years of age. In each group of males, the majority are householders (heads as previously defined) most of them in family situations or living alone if not in a family. Of the males not classified as householders, most are living in families--that is, with one or more relatives.

LIVING ARRANGEMENTS

Adults (Age 25 & Over)

Family Household Status, Population Age 25 & Over: March 1987

(Number in thousands)

	Age Groups (years)						
	25 - 29	30 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 & Over
Male							
Total number	10,694	10,448	16,528	10,970	10,227	7,608	3,970
Percent	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Householder*	63.5	76.8	84.9	90.1	90.0	91.8	88.2
Family householder	46.8	62.2	72.9	80.1	79.6	78.3	65.7
Nonfamily householder	16.7	14.6	11.9	10.1	10.0	13.5	22.5
Living alone	10.6	11.1	9.6	8.4	9.3	12.3	21.8
Not a householder	36.5	23.2	15.1	9.9	10.0	8.2	11.8
In families	27.3	16.4	11.5	7.8	8.0	6.8	9.8
Not in families	9.2	6.8	3.6	2.1	2.0	1.3	2.0
Married, wife present	49.2	64.7	74.7	80.5	81.3	79.6	65.9
Householder	44.3	59.8	69.0	76.2	76.7	75.3	62.1
Not a householder	4.9	4.9	5.5	4.3	4.7	4.3	3.8
Female							
Total number	10,942	10,552	17,103	11,866	11,606	9,624	6,773
Percent	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Householder*	26.1	26.7	27.3	26.6	31.1	44.3	62.7
Family householder	15.4	18.1	20.0	17.4	13.4	10.1	10.1
Nonfamily householder	10.7	8.6	7.3	9.2	17.7	34.2	52.6
Living alone	7.6	6.9	6.2	8.3	17.0	33.5	51.5
Not a householder	73.9	73.2	72.7	73.4	68.8	55.7	37.3
In families	66.8	69.7	70.3	71.7	67.7	54.7	35.1
Not in families	7.1	3.5	2.4	1.7	1.1	1.0	2.2
Married, husband present	58.5	68.2	71.5	72.4	67.1	51.0	22.4
Householder	3.9	4.3	4.4	3.8	3.1	2.1	0.8
Not a householder	54.6	63.9	67.1	68.6	64.0	48.9	21.6

* See definition on page 26. For practical purposes, a householder is a household head.

Source: U.S. Bureau of the Census, Current Population Reports: Marital Status and Living Arrangements: March 1987 (Series P-20, No. 423)

As noted in the information on population projections, one of the fastest growing groups in the population are the elderly--age 65 and over. Most of the males are heads of households in family situations--including 78% of those age 65 to 74, and 65.7% of those age 75 and over. In the 65-74 age group, 79.6% live with their wives; 65.9% among men age 75 and over.

The percent of females who are household heads rose from 44.3% of those age 65 to 74 to 62.7% of those age 75 and over. Older women outnumber older men by a considerable margin, and a much greater percentage live alone.

LIVING ARRANGEMENTS

Children (Under 18 Years of Age)

The fact that a majority of the Nation's 65.1 million families--33.2 million--have no children under age 18 living at home, represents a great change in the historical pattern. Another major trend has been the increasing percentage of children under 18 years of age who are living with just one parent--in most cases with their mother. This is an outgrowth of the high divorce/separation rates, as well as the increase in never-married mothers. According to Census Bureau demographers, 60% of the children born today will spend at least some time in a single parent home.

In 1987, out of a total of 63.5 million children under 18 (which does not include those maintaining families or households), 96.1% (61.1 million) lived with one or with both parents. Those living with both accounted for 72.4%; with mother only, 21.1%; with father only, 2.6%. Other living arrangements accounted for about 4%.

In 1980, of 63.4 million children, 76.6% lived with two parents, 18% lived with mother, 1.7% lived with father, 3.7% had other arrangements. In 1970, out of 69.2 million children under 18, 85.2% lived with both parents; only 10.8% with mother only.

The Census Bureau's detailed statistics on children's living arrangements focuses on those living with parents or a single parent--61.1 million children under 18 as of March 1987. Three out of four lived with both parents; 22% lived with mother only. There was, however a wide variation in the pattern based on race and by age of child.

White children, the dominant group totaling almost 50 million, have the biggest percentage living with two parents; 81% vs. 43% for black children, 58% for those of Hispanic origin. Most of the remainder live with their mothers in all cases.

Of children in single-parent homes, a higher percentage of white children have a parent who is employed than found among black children and those of Hispanic origin. The mean income for all families with children under 18 was $31,685 as of March 1987; $37,864 for two-parent families; but only $11,447 for mother-only families, $24,010 for the relatively few father-only families.

Differences in Living Arrangements of Children By Race and For Those Living With Two Parents Vs. One Parent: March 1987
(Number in thousands)

Living With	White Children Both Parents	White Children One Parent	Black Children Both Parents	Black Children One Parent	Hispanic Children Both Parents	Hispanic Children One Parent
Total number of children	40,407	9,569	3,852	5,087	4,355	2,027
Percent	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Age of parent:						
Under 25	3.1	13.0	3.8	20.3	5.5	16.5
25 to 34	36.5	40.9	39.1	47.1	39.1	46.5
35 to 44	44.7	36.5	39.6	24.7	38.6	28.5
45 & older	15.7	9.6	17.5	7.9	16.7	8.5

(continued)

Children (Under 18 Years of Age) (continued)

Differences in Living Arrangements of Children By Race and For Those Living With Two Parents Vs. One Parent: March 1987

(Number in thousands)

Living With	White Children		Black Children		Hispanic Children	
	Both Parents	One Parent	Both Parents	One Parent	Both Parents	One Parent
Employment status of parent:						
Employed	88.7	63.2	78.9	42.2	81.8	40.0
Unemployed	4.3	7.8	7.0	13.6	7.9	8.6
Not in labor force	7.0	29.0	14.1	44.2	10.3	51.3
Family income:						
Less than $10,000	6.1	47.5	8.7	69.9	14.7	63.5
$10,000 to $19,999	15.0	26.0	22.2	20.0	31.0	23.5
$20,000 to $29,999	20.7	13.8	22.7	6.8	24.0	7.7
$30,000 to $39,999	20.5	7.3	19.7	2.2	13.1	3.9
$40,000 to $49,999	14.5	2.7	13.5	0.7	7.5	0.7
$50,000 & over	23.2	2.7	13.2	0.4	9.7	0.6
Mean income	$35,947	*	$31,184	*	*	*

* Not reported. For one-parent families, mothers only, the mean family income was $13,180 for white families, $8,505 for black families, $9,410 for families of Hispanic origin. For father-only families, the mean income was $25,820 for white families, $14,386 for black families, $18,076 for Hispanics.

Source: U.S. Bureau of the Census, Current Population Reports: Marital Status and Living Arrangements: March 1987 (Series P-20, No. 423)

As children grow older, the Census Bureau's study shows that among white and Hispanic families a decreasing percentage are in families with two parents, whereas the percentage increases among black families. In all age groups, however, most black children are in single parent families--primarily with their mothers.

Children Under 18 Years of Age Living With Both or A Single Parent: March 1987--By Age and By Race

(Number in thousands)

	Total		Both Parents	Mother Only	Father Only
	Number	Percent			
Total, all races	61,080	100.0%	75.3%	22.0%	2.7%
Children Under 6 years	21,388	100.0	76.9	21.1	2.0
White	17,555	100.0	83.3	14.7	2.0
Black	3,107	100.0	38.9	58.6	2.5
Hispanic origin*	2,390	100.0	68.9	28.7	2.4
Children 6 to 11 years	19,896	100.0	74.6	22.8	2.6
White	16,185	100.0	80.0	17.5	2.6
Black	2,965	100.0	44.3	52.6	2.6
Hispanic origin*	2,179	100.0	66.6	30.0	3.3
Children 12 to 17 years	19,797	100.0	74.4	22.1	3.5
White	16,236	100.0	79.1	17.4	3.6
Black	2,868	100.0	46.3	51.0	2.6
Hispanic origin*	1,813	100.0	69.3	27.7	3.0

* Persons of Hispanic origin may be of any race. Numbers by race are, therefore, not additive.

Source: (Same as above)

Children (Under 18 Years of Age) (continued)

As expected, the income level of families with older children is higher than the average in one or two-parent families with just young children. The mean for all families with children under 18 years of age was $31,685 in 1987, with the average rising to $35,990 among those with children age 12 to 17 years.

Less than 30% of children under 18 years of age live in affluent families with incomes upwards of $40,000. Among those age 12 to 17, about 36% live with parents in this income bracket.

Distribution of Children Living With Parents (Both or Single)
By Family Income Level: March 1987
(Number in thousands)

Age:	Under 18, total		Under 6 Years		6-11 Years		12-17 Years	
	Number	%	Number	%	Number	%	Number	%
Total	61,080	100.0%	21,288	100.0%	19,896	100.0%	9,797	100.0%
Family income:								
Under $10,000	11,314	18.5	4,828	22.6	3,711	18.7	2,755	14.0
$10,000 - $19,999	10,890	17.8	4,035	18.9	3,633	18.3	3,221	16.3
$20,000 - $29,999	11,222	18.4	4,118	19.3	3,770	18.9	3,332	16.8
$30,000 - $39,999	10,083	16.5	3,304	15.4	3,394	17.1	3,384	17.1
$40,000 - $49,999	6,882	11.3	2,145	10.0	2,195	11.0	2,542	12.8
$50,000 & over	10,690	17.5	2,955	13.8	3,192	16.0	4,543	23.0
Mean	$31,685		$28,572		$30,749		$35,990	

Source: U.S. Bureau of the Census, Current Population Reports: Marital Status and Living Arrangements: March 1987 (Series P-20, No. 423)

Of growing concern is the rising poverty rate among the Nation's children. According to a report just issued by the Children's Defense Fund based on government statistics, the poverty rate among white children has risen from 11.4% in 1979 to 15% in 1987. These rates were far outpaced among other children. In 1979 the poverty rate for black children was 40.8%; it rose to 45.1% by 1987. In the same period, the rate for Hispanic children increased from 27.7% to 39.3%.

The growing proportion of young children with working mothers has had major implications for the development of child care-related products and facilities, as well as products making life easier for mother. In the majority of families with children under 18, no adults other than the parent are present. This is true for both single parent and two-parent families.

In 1987, 85.6% of children under 18 who lived with a parent were in families where one or both parents were in the labor force (i.e. employed or actively seeking employment). Of children in two-parent white and black families, half had two working parents. Among Hispanics, however, only 38% had two working parents.

LIVING ARRANGEMENTS

Children (Under 18) continued

Children Under 18: Employment Status of Parents & Presence of Other Adults
Total & By Race: March 1987

	Children Under 18 Years of Age Living With			
	Total	Both Parents	Mother Only	Father Only
All races				
Number of children (000)	61,080	46,009	13,420	1,651
Total percent	100.0%	100.0%	100.0%	100.0%
With parents:				
In the labor force	85.6	92.1	62.7	90.8
Employed	79.7	87.5	52.8	81.0
Both parents employed	39.2	52.1	--	--
Full time	73.1	82.7	40.5	72.7
Part time	6.6	6.8	12.3	8.4
Unemployed	5.9	4.6	9.9	9.7
Not in labor force	14.4	7.9	37.3	9.2
No adults present other than parent	77.9	83.3	62.4	55.2
White				
Number of children (000)	49,976	40,407	8,231	1,338
Total percent	100.0%	100.0%	100.0%	100.0%
With parents:				
In the labor force	88.8	93.0	67.5	92.1
Employed	83.8	88.7	60.0	82.8
Both parents employed	42.0	52.0	--	--
Full time	77.6	84.1	46.2	74.4
Part time	6.2	4.6	13.8	8.4
Unemployed	5.0	4.3	7.5	9.3
Not in labor force	11.2	7.0	32.4	7.9
No adults present other than parent	79.8	84.0	63.1	55.9
Black				
Number of children (000)	8,939	3,852	4,844	243
Total percent	100.0%	100.0%	100.0%	100.0%
With parents:				
In the labor force	68.8	85.9	54.5	82.7
Employed	58.0	78.9	40.8	70.4
Both parents employed	23.3	54.1	--	--
Full time	49.8	72.6	30.9	65.4
Part time	8.2	6.3	9.9	4.9
Unemployed	10.8	7.0	13.7	12.3
Not in labor force	31.2	14.1	45.5	17.3
No adults present other than parent	68.8	79.6	61.3	46.9

(continued)

LIVING ARRANGEMENTS

Children (Under 18) continued

Children Under 18: Employment Status of Parents & Presence of Other Adults Total & By Race: March 1987

	Children Under 18 Years of Age Living With			
	Total	Both Parents	Mother Only	Father Only
Hispanic Origin*				
Number of children (000)	6,382	4,355	1,843	184
Total percent	100.0%	100.0%	100.0%	100.0%
With parents:				
In the labor force	76.7	89.7	44.6	89.1
Employed	68.5	81.8	36.6	75.0
Both parents employed	25.8	37.9	--	--
Full time	60.9	75.8	25.9	60.9
Part time	7.6	6.0	10.7	14.1
Unemployed	8.1	7.9	8.1	14.1
Not in labor force	23.3	10.3	55.3	11.4
No adults present other than parent	77.9	83.3	62.9	31.0

* Hispanics may be of any race

Source: U.S. Bureau of the Census, Current Population Reports: Marital Status and Living Arrangements: March 1987 (Series P-20, No. 423)

FERTILITY/BIRTHS

The National Center for Health Statistics (NCHS), U.S. Department of Health and Human Services, issues information in detail on registered births within the U.S., on the birth rate--covering live births per 1,000 population, and on the fertility rate--live births per 1,000 women age 15 to 44 years. Data are reported in total and by race.

Additional information on fertility trends based on women age 18 to 44 are published by the U.S. Bureau of the Census in annual reports on the components of population change as well as in the Population Characteristics Series.

An estimated 3,829,000 babies were born in the U.S. in 1987, 1.9% above the registered birth total in 1986 reported by the NCHS. In the first 11 months of 1988, the number of registered births was 2.1% above the comparable 1987 total. The final 1988 total will be the highest reported since 1964, and probably represents the peak of the baby boomlet which got underway in 1980 as the baby boom generation had children. This total is far below the 4.3 million births reported for the peak baby boom year, 1957.

Population projections by age and the patterns in childlessness among women of child-bearing age, plus fertility trends, indicate a leveling off in annual birth totals, then a decline to about 3.5 million by year 1995, to below 3.4 million by 2000.

A significant factor in recent increases in births has been the number among older women, reflecting postponement of marriage and of motherhood among the female population, as well as the increase in the number of women in the older end of the total of childbearing age. The rise in first birth rates for women in their thirties and forties has been marked. Mothers age 30 years and over accounted for 26% of all births in 1986, the highest proportion since 1962 (26%).

FERTILITY/BIRTHS

In 1987, among women age 18 to 24 years, 71.7% were childless compared with 69% in 1976; among women age 25 to 29 comparable percentages were 39.3% and 30.8%. Among women age 30 to 34 years, 23.6% were childless in 1987 compared with 15.6% in 1976. Among women age 35 to 39, the percent childless rose from 10.5% in 1976 to 16.7% in 1987; of those age 40 to 44 years, from 10.2% to 14.2%.

Registered Births & Fertility Rates By Race of Child: U.S. Total: Selected Years 1960-1987

	Births: Number (000)			Fertility Rate		
Year	Total	White	Other Race	Total	White	Other Race
1987(p)	3,829.0(p)	nr	nr	66.1	nr	nr
1986	3,756.5	2,970.4	786.1	65.4	61.9	83.0
1985	3,760.6	2,991.4	769.2	66.2	63.0	83.2
1980	3,612.3	2,898.7	713.5	68.4	64.7	88.6
1975	3,144.2	2,552.0	592.2	66.0	62.5	87.7
1970	3,731.4	3,091.3	640.1	87.9	84.1	113.0
1965	3,760.4	3,123.9	626.5	96.3	91.3	131.9
1960	4,257.8	3,600.7	657.1	118.0	113.2	153.5

(p) preliminary
nr not reported

Source: National Center for Health Statistics, Vol. 37, No. 3, Supplement: Monthly Vital Statistics Report July 12, 1988

In the 12 months ending June 1987, 3,701,000 women gave birth, according to the Census Bureau, and 68% were under 30 years of age. This compared with their share of over 77% of the new mothers in 1976.

Women By Age Group Who Gave Birth in Selected Years Ending June: 1976, 1980, 1985-1987

(Percent of total by age)

	1987	1986	1985	1980	1976
Total number (18-44), thousands	3,701	3,625	3,497	3,247	2,797
Percent	100.0%	100.0%	100.0%	100.0%	100.0%
Age: 18-24	34.5	33.3	38.3	43.0	46.2
25-29	33.6	34.3	33.5	33.3	33.2
30-34	21.2	22.5	20.1	16.0	14.4
35-39	9.2	7.9	6.6	5.9	4.9
40-44	1.4	2.0	1.5	1.8	1.3

Source: U.S. Bureau of the Census, Current Population Reports: Fertility of American Women: June 1987 (Series P-20, No. 427)

FERTILITY/BIRTHS

Other characteristics of mothers who gave birth in the 1987 period are covered in the detailed Census Bureau report, including the following information:

Mothers Who Gave Birth in Year Ending June 1987: Total & By Race Selected Characteristics

	Total	White	Black	Hispanic Origin
Total number (000)	3,701	2,989	560	411
Percent	100.0%	100.0%	100.0%	100.0%
Marital status				
Married, husbant present	77.4	84.6	38.7	68.9
Married, husband absent	3.4	2.9	5.9	4.9
Widowed, divorced	3.4	2.5	8.4	1.4
Single	15.8	10.0	47.0	24.8
Educational attainment				
Not a high school graduate	19.7	17.7	29.1	50.0
High school, 4 years	42.9	43.6	42.5	33.0
College: 1 or more years	37.3	38.7	28.6	16.0
1 to 3 years	20.0	20.2	20.0	13.8
4 years	12.0	12.7	6.6	2.2
5 or more years	5.3	5.8	2.0	1.0
Labor Force Status				
In labor force	50.8	51.0	53.4	36.4
Employed	45.0	46.8	37.3	33.7
Unemployed	5.8	4.2	16.1	2.7
Not in labor force	49.2	49.0	46.6	63.6
Family Income				
Under $20,000	53.7	48.9	77.5	40.3
$25,000 to $29,999	10.0	10.9	6.8	14.8
$30,000 to $34,999	8.3	9.1	5.0	13.4
$35,000 & over	25.2	28.1	9.5	22.1
Not reported	2.8	3.0	1.2	9.4

Birth Order

Most families with children have just one; and a high percentage of births--over 41%--are first births. This is good news for marketers of baby products, along with the fact that mothers are increasingly older and more affluent (although it must not be forgotten that some 20% of babies are born into households at the poverty level). The more-favored first-borns generally benefit from a greater outlay for the nursery than needed for a second child or latter arrival. It has been estimated that parents spend only 69% as much on a second child as they do on their first. Doting grandparents are also available to a greater extent than ever, due to longevity and greater affluence, to shower babies with gifts, representing an important segment of the baby business.

FERTILITY/BIRTHS

Birth Order (continued)

Live-Birth Order--Percent of Total Births in Selected Years, 1972-1986

	1986	1985	1984	1979	1972
Total live births	100.0%	100.0%	100.0%	100.0%	100.0%
Birth order:					
First	41.4	41.4	41.7	42.3	39.6
Second	32.8	33.1	33.0	32.0	28.5
Third	15.7	15.6	15.3	15.1	14.1
Fourth & higher	9.6	9.5	9.5	10.7	15.0
Not stated	0.5	0.6	0.5	--	2.8

Source: U.S. Dept. of Health & Human Services, National Center for Health Statistics: Advance Report of Final Natality Statistics, 1986 (July 12, 1988)

Sex Ratio In Births

The sex ratio at birth in 1986 was 1,051 males per 1,000 females, slightly above the ratio of 1,050 per 1,000 observed in 1984. Since 1967, there has been little annual variation in the sex ratio, with a range of 1,050 to 1,055 in this period. The ratio for white births was 1,053 in 1986; for black births, 1,034 in 1986.

Birth Patterns By Month

Percent Distribution of Registered Live Births
By Months, 1982, 1984, 1986, 1987

	1987	1986	1984(r)	1982
Birth total	100.0%	100.0%	100.0%	100.0%
January	8.0	8.1	8.0	8.1
February	7.5	7.5	7.7	7.5
March	8.6	8.3	8.3	8.3
April	7.8	8.1	7.8	7.9
May	8.4	8.5	8.2	8.3
June	8.3	8.2	8.1	8.4
July	8.7	8.9	8.9	8.9
August	9.0	9.0	9.1	8.9
September	8.9	8.8	8.9	8.9
October	8.4	8.6	8.7	8.5
November	8.2	8.1	8.1	8.0
December	8.1	8.3	8.2	8.2

(r) revised

Source: U.S. Department of Health & Human Services, National Center for Health Statistics: Annual Summary of Births, Marriages, Divorces and Deaths

FERTILITY/BIRTHS

Geographic Patterns in Birth Levels

The South and Midwest are the U.S. regions which offer the biggest markets for products related to the new baby market and young children. In the period 1980-1987, over a third (34.4%) of U.S. births occurred in the South; the Midwest accounted for about 25%.

Birth totals in the leading states in this period: California (3,232 thousand), Texas (2,148), New York (1,822), Illinois (1,316), Ohio (1,173), Pennsylvania (1,157), Florida (1,102).

Births By Regions & Divisions of the U.S.: 1980-1987
(Number in thousands)

	Number	Percent
Total births, 1980-1987	26,716	100.0%
Northeast	4,957	18.5
New England	1,244	4.7
Middle Atlantic	3,713	13.9
Midwest	6,626	24.8
East North Central	4,619	17.3
West North Central	2,007	7.5
South	9,199	34.4
South Atlantic	4,174	15.6
East South Central	1,639	6.1
West South Central	3,386	12.7
West	5,934	22.2
Mountain	1,687	6.3
Pacific	4,247	15.9

Source: U.S. Bureau of the Census, Current Population Reports: State Population and Household Estimates (Series P-25, No. 1024)

In compiling projections on State population growth to year 2010, the U.S. Census Bureau has made the following estimates on projected births by geographic divisions in specified periods. The South will continue to register the biggest number of births, increasing its share of the national total, while the West will replace the Midwest in second place.

Total Number of Births By Geographic Regions: 1980-1986, Projected: 1986-1990, 1990-2000, 2000-2010
(Number in thousands as of July 1)

	U.S. Total		Northeast		Midwest		South		West	
	No.	%	No.	%	No.	%	No.	%	No.	%
Live births:										
1980-1986	22,922	100.0%	4,232	18.5%	5,735	25.0%	7,888	34.4%	5,066	22.1%
1986-1990	14,925	100.0	2,703	18.1	3,669	24.6	5,254	35.2	3,298	22.1
1990-2000	34,554	100.0	6,131	17.7	8,010	23.2	12,443	36.0	7,969	23.1
2000-2010	33,435	100.0	5,547	16.6	7,222	21.6	12,344	36.9	8,322	24.9

Source: U.S. Bureau of the Census, Current Population Reports: Projections of the Population of States, By Age, Sex, and Race (Series P-25, No. 1017, 1010)

FERTILITY/BIRTHS

Geographic Patterns in Birth Totals

The wide range in fertility rates by State that has been observed for many years continued in 1986. The lowest rate in 1986 was reported for West Virginia; 52.6 live births per 1,000 women aged 15-44 years compared with the national average of 65.4. The highest rate was for Utah, 94.1. Fertility rates below 60 were reported by the NCHS for 10 States: Massachusetts, Rhode Island, Connecticut, Pennsylvania, Iowa, West Virginia, North Carolina, Kentucky, Tennessee, Oregon. Rates above 70 were found in 11 states: North and South Dakota, Louisiana, Texas, Idaho, New Mexico, Arizona, Utah, California, Alaska, Hawaii.

Regional totals covering live births in 1986 by geographic divisions and by race are noted below.

Live Births By Race of Child, Birth Rates & Fertility Rates, 1985
U.S. & Nine Geographic Regions

	Number (thousands)			Birth Rate**	Fertility Rate**
	Total*	White	Black		
U.S. total	3,756.5	2,970.4	621.2	15.6	65.4
New England	181.2	163.3	13.5	14.2	58.4
Middle Atlantic	533.8	414.2	100.4	14.3	60.6
East North Central	624.0	513.1	100.5	15.0	62.9
West North Central	265.9	236.4	20.1	15.1	65.4
South Atlantic	607.6	421.6	173.6	14.8	62.5
East South Central	219.4	157.6	59.9	14.4	60.8
West South Central	470.0	368.9	86.4	17.5	72.9
Mountain	233.5	206.5	8.7	18.0	74.8
Pacific	621.0	488.8	54.1	17.4	71.6

* Includes races other than White and Black.
**Birth rates per 1,000 estimated total population in each area; fertility rates per 1,000 women aged 15-44 years in each area.

Source: National Center For Health Statistics: Advance Report of Final Natality Statistics, 1986 (July 1988)

CHILD CARE ARRANGEMENTS

Childbearing by the Baby Boom generation (born in the 1947-1961 period) helped swell the ranks of the under-5 population to 18.3 million in 1987, 1.9 million (or 11.6%) more than in 1980, according to the Census Bureau. The sharp rise in the number of young children living in homes with both parents in the labor force, as well as those living with a single working parent has resulted in increased enrollments in nursery schools and kindergartens, and of younger children in daycare centers.

A Census Bureau report on characteristics of parents of children under 6 as of March 1987 showed that of 16.4 million children of this age who living with both parents, 46% had parents working. Of the 4.5 million living with mothers only, the mothers were in the labor force in 52% of the cases; working in 40%, working full time, 29%.

CHILD CARE ARRANGEMENTS

An analysis by the Census Bureau covering Winter 1984-85 on primary child care arrangements used by employed mothers for their children under 5 showed 23.1% of the children were in organized child care facilities; day/group care center, 14.0%; nursery school/pre school, 9.1% and 0.8% were in kindergarten.

The 1984-85 report showed that of the estimated 26.5 million children under age 15 whose mothers were employed, 16.8 million had mothers working fulltime. The annual cost of child care for the nation's working mothers was about $11 billion, according to this study.

Percent Distribution of Primary Child Care Arrangements For Children Under Age 15, Winter of 1984-85
(Number in thousands)

	Total Under Age 15		Under 5 Years		5 to 14 Years	
	Number	%	Number	%	Number	%
Children under age 15	26,455	100.0%	8,168	100.0%	18,287	100.0%
With employed mother:						
Care in child's home	4,699	17.8	2,535	31.0	2,164	11.8
By a nonrelative	687	2.6	479	5.9	208	1.1
Care in another home	3,801	14.4	3,019	37.0	782	4.3
By a nonrelative	2,196	8.3	1,819	22.3	377	2.1
Organized child care facilities	2,411	9.1	1,888	23.1	523	2.8
Day/groupcare center	1,440	5.4	1,142	14.0	298	1.6
Nursery school/preschool	971	3.7	746	9.1	225	1.2
Kindergarten/grade school	13,815	32.2	62	0.8	13,753	75.2
Child cares for self	488	1.8	--	--	488	2.7
Parent cares for child	1,245	4.7	664	8.2	581	3.2

Source: U.S. Bureau of the Census, Current Population Reports: Who's Minding the Kids? Child Care Arrangements: Winter 1984-85 (May 1987) (Series P-70, No. 9)

SCHOOL ENROLLMENT

The overall pattern in school enrollment, based on sample surveys of the population by the U.S. Census Bureau, is shown in the following table. Not included is enrollment in special schools, such as trade or business schools, which are not graded schools (public or private) in the regular school system.

The pattern follows demographic trends, reflected in the recent increase in students in the lower grades, and a continued decrease in elementary and high school enrollment. High school enrollment will gain in the early 1990s, however, as the baby boomlet crop grows older.

SCHOOL ENROLLMENT

School Enrollment of Persons 3 Years Old & Over By Level: October 1986, 1985, 1981
(Number in thousands)

	1986	1985	1981	% Change 1986/81
Total	60,062	59,780	59,858	34.1%
Nursery school	2,553	2,491	2,058	24.0
Kindergarten	3,961	3,815	3,161	25.3
Elementary school	27,121	26,866	27,795	- 2.4
High school*	14,025	14,084	14,717	- 4.7
College*	12,402	12,524	12,127	2.3

* Includes persons 35 years old and older.

Source: U.S. Bureau of the Census, Current Population Reports: School Enrollment-Social and Economic Characteristics of Students (August 1988) (Series P-20, No. 429)

Nursery School, Kindergarten (Age 3 to 6)

Enrollment Status for Nursery School & Kindergarten Students Age 3 to 6 Years Old By Selected Characteristics
(Number in thousands)

	Total		Male		Female	
	Number	%	Number	%	Number	%
Enrolled students, all races	6,515	100.0%	3,394	100.0%	3,121	100.0%
By age:						
3 years old	1,041	16.0	551	16.2	491	15.7
4 years old	1,772	27.2	897	26.4	874	28.0
5 years old	3,157	48.5	1,615	47.6	1,542	49.4
6 years old	544	8.3	331	9.7	214	6.9
Level & control						
Nursery school	2,554	39.2	1,318	38.8	1,235	39.6
Public	835	12.8	458	13.5	377	12.1
Private	1,719	26.4	861	25.4	858	27.5
Kindergarten	3,961	60.8	2,076	61.2	1,885	60.4
Public	3,328	51.1	1,726	50.8	1,602	51.3
Private	633	9.7	350	10.3	283	9.1
Metropolitan: inside central city	2,039	31.3	1,053	31.0	985	31.6
Metropolitan: outside central city	3,068	47.1	1,608	47.4	1,460	46.8
Nonmetropolitan	1,408	21.6	731	21.5	676	21.7
Race/origin:						
White	5,305	81.4	2,788	82.1	2,517	80.6
Black	962	14.8	482	14.2	480	15.4
Hispanic origin*	644	9.9	334	9.8	310	9.9

* May be of any race

Source: U.S. Bureau of the Census, Current Population Reports: School Enrollment-Social and Economic Characteristics of Students (October 1986) (Series P-20, No. 429)

SCHOOL ENROLLMENT

Elementary/High School (Age 7 to 17 Years)

Enrollment Status of Persons Age 7 to 17 Years By Sex:
Selected Characteristics: October 1986
(Number in thousands)

	Male		Female	
	Number	%	Number	%
Age groups:				
Age 7 tp 9 years				
Total number	5,193	100.0%	4,935	100.0%
Enrolled in school	5,163	99.4	4,894	99.2
White	4,194	80.9	3,968	80.4
Black	785	15.1	763	15.5
Hispanic origin*	541	10.4	510	10.3
Age 10 to 17 years				
Total number	14,150	100.0	13,512	100.0
Enrolled in school**	13,700	96.8	13,099	96.9
White	11,097	78.4	10,585	78.3
Black	2,081	14.7	2,029	15.0
Hispanic origin*	1,311	9.3	1,333	9.9

* May be of any race

**A small number of youths under 18 are enrolled in college--including as of October 1986, 90,000 boys and 127,000 girls.

Source: Same as previous table.

College

When the baby boom generation (those born in the 1947-1961 period) advanced to college age there was a great spurt in college enrollment. From a total of 3,570 thousand in 1960, the college student count soared to over 7 million by 1970, and kept rising each year to reach over 12 million by 1981.

With smaller groups coming along due to reduced birth totals, it was generally expected that college enrollment would fall off, but this has not happened. The October 1986 total of 12,401 thousand was second only to the 12,524 thousand reported a year earlier. The sustainment of the high level is attributed to the increased enrollment of students 25 years and older and also because enrollment rates among younger students have increased concurrently with the population decline among younger ages. While the number of youths age 18 to 24 declined by about 2.5 million from 1981 to 1986, the percent enrolled in college rose from 26% to 28%.

Women represented 52.8% of 1986 college enrollment vs. 45.7% in 1975. In 1986, almost 41% of the women students were over 24 years old; 18.3% were age 35 years or older, reflecting the trend in women returning to school while pursuing careers, or after their children are less dependent on their mothers. In 1975, 32.2% of women college students were over 24; only 13.1% were 35 or older.

In contrast, male college students over 24 years old represented 36.1% of the 1986 total--only slightly higher than their 35.3% share in 1975. At the undergraduate level 24% of the male students were part-timers vs. 28.5% of the women undergrads.

SCHOOL ENROLLMENT

College (continued)

Number of College Students By Sex & Distribution By Age (14 & Over)
Selected Years: 1975-1986
(Numbers in thousands)

	Male				Female			
	1986	1982	1980	1975	1986	1982	1980	1975
Total enrollment, number	5,847	5,899	5,430	5,911	6,554	6,410	5,957	4,969
Percent	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
By age: (14 & over):								
14 to 17	1.5	1.9	1.8	2.2	1.9	2.2	2.6	3.3
18 and 19	24.0	23.3	25.2	24.1	23.5	24.2	26.3	30.5
20 and 21	19.7	22.8	22.9	21.2	18.1	21.0	15.6	21.3
22 to 24	18.7	18.9	18.2	17.1	15.6	14.7	14.8	13.4
25 to 29	16.4	16.4	13.2	17.3	13.0	13.9	13.2	11.9
30 to 34	9.4	8.3	8.7	8.4	9.6	9.9	9.9	7.2
35 years & over	10.3	8.3	7.5	9.6	18.3	14.0	13.5	13.1
Undergraduates, 14-34 number	4,338	4,450	4,111	4,393	4,635	4,660	4,377	3,715
Full time	3,273	3,451	3,192	3,394	3,315	3,355	3,123	2,902
Part time	1,065	999	920	999	1,319	1,305	1,254	813
Graduate students number	910	960	914	949	723	850	777	640
Full time	540	568	500	542	376	362	332	267
Part time	370	392	414	407	347	488	445	373

Source: See table on page 45.

EDUCATIONAL ATTAINMENT

Based on the annual Current Population Surveys, the Bureau of the Census compiles annual data on educational attainment among the resident poulation of the U.S. age 15 years and older. Along with growth in school enrollment, the levels of educational attainment are rising, and in 1987 reached a record high based on completion of high school and of college.

In 1987, 76% of adults age 25 and over had completed at least four years of high school, breaking the previous record high of 75% set in 1986. In 1980, only 69% of the population had completed at least four years of high school; in 1970, 55%.

There were differences based on sex and on race. In 1987, the proportion of men with four or more years of college completed reached 24% compared with 17% for women. Comparable figures in 1980 were 21% vs. 13.6%. The gap is narrowing. For Blacks, the percentage that had completed at least four years of college reached 10.7%, up from 7.9% in 1980, but down from the 11.1% high reported for 1985.

In general, attainment levels are lowest for the oldest persons in the population age 35 and over, most of whom have completed their schooling. High school completion is twice as likely among persons ages 35 to 44 then it is for those who are 75 or older.

EDUCATIONAL ATTAINMENT

Years of School Completed By Persons 25 Years Old & Over, By Sex: March 1987

	Male				Female			
	Number (000)	Percent of Total			Number (000)	Percent of Total		
		H.S. Grad.	College 1 Yr+	College 4 Yrs+		H.S. Grad.	College 1 Yr+	College 4 Yrs+
Population by Age:								
Total, 25 & over	70,677	76.0%	40.6%	23.6%	78,467	75.3%	33.6%	16.5%
25-29 years old	10,942	86.4	44.0	21.7	18,151	86.3	43.9	23.0
30-34 years old	10,448	86.6	48.3	27.5	10,552	87.6	45.3	24.2
35-39 years old	9,163	87.7	53.7	31.5	9,423	86.4	43.5	22.4
40-44 years old	7,365	84.1	49.3	30.5	7,680	84.8	40.3	21.8
45-49 years old	5,909	80.0	43.4	26.1	6,255	79.7	33.9	16.2
50-54 years old	5,242	74.2	37.2	23.4	5,611	75.8	27.5	12.8
55-59 years old	5,276	67.6	32.6	19.3	5,830	70.0	25.3	11.3
60-64 years old	5,002	68.8	31.8	20.0	5,776	68.6	23.2	10.0
65-69 years old	4,386	59.9	26.1	14.9	5,304	60.5	19.8	8.5
70-74 years old	3,222	52.3	23.9	11.7	4,320	52.9	18.7	8.0
75 years old & over	3,970	39.8	19.5	11.3	6,773	43.3	17.2	7.5
Earlier Years								
Age 25 & over								
1985	67,756	74.4%	--	23.1%	75,768	73.5%	--	16.0%
1980	61,389	69.1	--	20.8	69,020	68.1	--	13.5
1975	55,036	63.1	--	17.6	61,861	62.1	--	10.6
1970	51,784	55.0	--	14.1	57,527	55.4	--	8.2
Age 25 & over By Race, 1987:								
White	61,679	77.3%	--	24.5%	67,491	76.7%	--	16.9%
Black	6,919	63.0	--	11.0	8,661	63.7	--	10.4
Hispanic origin*	4,614	51.8	--	9.7	4,834	50.0	--	7.5

* Hispanics can be of any race.

Source: U.S. Bureau of the Census, Current Population Report: Educational Attainment in the United States: March 1987 and 1986 (Series P-20, No. 428)

LABOR FORCE, EMPLOYMENT, EARNINGS

A record 65.9% of the civilian noninstitutional population age 16 and over were in the civilian labor force in 1988, up from 65.6% in 1987 and comparing with 63.8% in 1980. This includes those employed or actively seeking employment. With an average of close to 115 million civilians employed in 1988, the unemployment rate shrunk to 5.5%, down from 6.2% in 1987, 7.1% in 1980, and over 9.5% in the recession years 1982 and 1983. The 1988 employment average represented a gain of 2.5 million jobs in the year and 15.7 million more than in 1980.

With the labor pool now aging, greater worker stability and perhaps less pressure for wage increases seem to be developing. By 1987, workers were in their jobs a median 4.2 years compared with 3.6 in 1978; 3.9 in 1973 and 4.6 in 1963.

LABOR FORCE, EMPLOYMENT, EARNINGS

Projections on labor force developments anticipated under varying assumptions to the year 1990 have been made by the Bureau of Labor Statistics, and findings were reviewed in the 1987 edition of this FACT FILE. Under any assumption, the growth in the labor force is expected to slow as a result in the declining size of the population of younger adults resulting from the "birth dearth" years 1965-1978, as well as a slower rate of growth in the labor force participation rates of women. However, women will continue to increase their share of the labor force and employment totals. (Detailed projections may be found in the Monthly Labor Review, September 1987, published by the U.S. Department of Labor.)

Employment

The employment status of the civilian population 16 years and over by sex, in selected years through 1988 is outlined below. In 1988, 121,669,000 people were employed, of which 55% were men, 45% women. Compared with 1980, employment of men was up 8.9%, while the comparable gain for women was 20.3%.

Employment Status of the Population: Selected Years, 1980-1988
(Civilian noninstitutional population Age 16 & Over)
(Numbers in thousands)

	1988	1987	1985	1982	1980
Men, age 16 & over					
Civilian population, total	87,857	86,899	84,469	81,523	79,398
In labor force	66,927	66,207	64,411	62,450	61,453
Participation rate	78.2	76.2	76.2	76.6	77.4
Total employed	63,273	62,107	59,891	56,271	57,187
Percent of population	72.0	71.5	70.9	69.0	72.0
Unemployed	3,655	4,101	4,521	6,179	4,267
Unemployed rate (% of labor force)	5.5%	6.2%	7.0%	9.9%	6.9%
Women, age 16 & over					
Civilian population, total	96,756	95,853	93,736	90,748	88,348
In labor force	54,742	53,658	51,050	47,755	45,487
Participation rate	56.6	56.0	54.5	52.6	51.5
Total employed	51,696	50,334	47,259	43,256	42,117
Percent of population	53.4	52.5	50.4	47.7	47.7
Unemployed	3,046	3,324	3,791	4,499	3,370
Unemployed rate (% of labor force)	5.6%	6.2%	7.4%	9.4%	7.4%

Source: U.S. Department of Labor, Bureau of Labor Statistics: Employment & Earnings (December 1988)

Unemployment rates for Blacks in 1988 were more than double the rate for Whites, among both men and women.

Employment: Men

Men age 25 to 54 made up 70% of the male work force in 1988. The profile of male employment by race and age is outlined in the following table. The unemployment rate for White males age 16 and over registered 4.7% vs. a comparable 11.7% for Black males of the same age. Of employed White males, 90% were full-time workers, 88% of employed Black males were full time workers.

Employment Status of the Civilian Male Population By Race and By Age: 1987

(Numbers in thousands)

	Civilian Labor Force		Number Employed:		Unemployed		Not in Labor Force (No.)
	Number	% of Population*	Total	Full Time**	Number	% of Labor Force	
White							
Age: (years)							
16 & over	58,317	76.9%	55,550	49,998	2,766	4.7%	17,538
16 to 19	3,583	60.0	3,084	1,303	499	13.9	2,385
20 to 24	6,468	86.6	5,987	4,987	480	7.4	1,005
25 to 54	40,371	94.5	38,823	37,402	1,548	3.8	2,354
25 to 34	17,018	95.2	16,241	nr	777	4.6	849
35 to 44	14,068	95.4	13,590	nr	477	3.4	676
45 to 54	9,285	91.8	8,992	nr	293	3.2	830
55 to 64	6,108	67.9	5,909	6,306	200	3.3	2,893
65 & over	1,787	16.7	1,748		40	2.2	8,900
Black							
Age: (years)							
16 & over	6,596	71.0	5,824	5,152	771	11.7	2,694
16 to 19	469	43.8	316	127	154	32.7	606
20 to 24	913	79.3	736	604	177	19.4	238
25 to 54	4,510	87.7	4,107	3,864	402	8.9	635
25 to 34	2,114	89.3	1,881	nr	223	11.0	253
35 to 44	1,459	86.2	1,348	nr	111	7.6	196
45 to 54	936	83.5	878	nr	58	6.2	185
55 to 64	565	59.4	536	556	30	5.2	386
65 & over	139	14.3	131		8	5.6	831

nr not reported

* Civilian noninstitutional population in each specific age group.

**Includes people who may be working part time for economic reasons, but usually work full time.

Source: U.S. Department of Labor: Employment & Earnings (Dec. '88)

Employment of Men By Occupation: 1985-1988

(Numbers in thousands)

	1988	1987	1986	1985	% Change 1988/85
Total employed men (age 16 & over)	63,273	62,107	60,892	59,891	5.6%
Managerial & professional spec.	16,139	15,457	15,029	14,802	9.0
Executive, administrative, managerial	8,626	8,263	7,990	7,871	9.6
Professional specialty (engineers, scientists, teachers, etc.)	7,513	7,194	7,039	6,932	8.4
Technical, sales, & admin. support	12,494	12,378	12,130	11,725	6.6
Technicians & related support	1,883	1,721	1,783	1,719	6.6
Sales occupations	7,025	7,015	6,862	6,579	6.8
Administrative support/clerical	3,636	3,642	3,485	3,427	6.1
Service occupations	6,056	5,924	5,775	5,695	6.3
Protective service	1,664	1,637	1,566	1,491	11.6
Service except protective & private household	4,358	4,253	4,170	4,166	4.6
Precision production, craft, repair	12,474	12,416	12,256	12,213	2.1
Operators, fabricators, laborers	13,234	12,978	12,895	12,539	5.5
Farming, forestry, fishing	2,875	2,954	2,896	2,917	-1.4

Source: U.S. Department of Labor: Employment & Earnings (Dec. '88)

LABOR FORCE, EMPLOYMENT, EARNINGS

Employment: Women

In 1980, 45.5 million women age 16 and over were in the civilian labor force. They represented 52% of the adult female population and 42% of the total civilian labor force. By 1988, women of this age in the labor force numbered 54.7 million, representing 56.6% of the adult female population and 45% of the total labor force.

BLS projections based on moderate growth assumptions anticipate that 66 million women age 16 or over, or 61.5% of the population of this age, will be in the labor force by year 2000, and they would represent over 47% of the total civilian labor force. Their share of the total is bolstered not only by new entrants, but by the fact that fewer men than women are expected to leave the labor force in this period.

Following population shifts by age group, the biggest gain in the female labor force by age will be among those 35 to 54 years old. There will be fewer women age 20 to 34 than at the present time.

Following is a profile of female employment status by race and age in 1988. Of White women employed in 1988, 73% were classified as full-time workers; of Black women, 80%.

Employment Status of the Civilian Female Population By Race and By Age: 1988

(Numbers in thousands)

	Civilian Labor Force		Number Employed:		Unemployed		Not in Labor Force (No.)
	Number	% of Population*	Total	Full Time**	Number	% of Labor Force	
White							
Age: (years)							
16 & over	46,439	56.4%	44,262	32,402	2,177	4.7%	35,901
16 to 19	3,358	57.2	2,946	974	412	12.3	2,512
20 to 24	5,844	74.9	5,450	4,078	393	6.7	1,960
25 to 54	31,728	72.7	30,495	23,853	1,233	3.9	11,893
25 to 34	13,149	73.0	12,555	nr	594	4.5	4,860
35 to 44	11,291	74.9	10,878	nr	413	3.7	3,784
45 to 54	7,288	69.2	7,062	nr	227	3.1	3,249
55 to 64	4,354	43.6	4,244	3,497	110	2.5	5,640
65 & over	1,156	7.7	1,126		30	2.6	13,696
Black							
Age: (years)							
16 & over	6,609	58.0	5,834	4,736	776	11.7	4,793
16 to 19	419	37.9	285	101	134	32.0	685
20 to 24	869	63.2	697	511	172	19.8	507
25 to 54	4,680	73.9	4,239	3,713	441	9.4	1,650
25 to 34	2,112	73.7	1,844	nr	269	12.7	754
35 to 44	1,610	78.1	1,491	nr	118	7.4	451
45 to 54	958	68.3	905	nr	53	5.6	445
55 to 64	504	43.4	482	413	22	4.3	656
65 & over	137	9.6	129		7	5.4	1,295

nr not reported

* Civilian noninstitutional population in each specific age group.

**Includes people who may be working part time for economic reasons, but usually work full time.

Source: U.S. Department of Labor:
Employment & Earnings (Dec. '88)

Employment: Women (continued)

Employment of Women By Occupation: 1985-1988
(Number in thousands)

	1988	1987	1986	1985	% Change 1988/85
Total employed women (age 16 & over)	51,696	50,334	48,706	47,259	9.4%
Managerial & professional spec.	13,050	12,286	11,525	11,049	18.1
Executive, administrative, managerial	5,590	5,053	4,653	4,351	28.5
Professional specialty (engineers, scientists, teachers, etc.)	7,232	7,232	6,872	6,699	11.4
Technical, sales, & admin. support	23,038	22,704	22,223	21,507	7.1
Technicians & related support	1,688	1,624	1,581	1,537	9.8
Sales occupations	6,722	6,465	6,383	6,088	10.4
Administrative support/clerical	14,628	14,614	14,620	13,882	5.4
Service occupations	9,275	9,130	8,905	8,747	6.0
Protective service	279	271	221	227	22.9
Service except protective & private household	8,121	7,960	7,742	7,552	7.5
Precision production, craft, repair	1,190	1,153	1,150	1,127	5.6
Operators, fabricators, laborers	4,580	4,508	4,355	4,277	7.1
Farming, forestry, fishing	562	554	548	552	1.8

Percent of Total In Each Occupation Accounted For By Women

	1988	1987	1986	1985
Total employed women (age 16 & over)	45.0%	44.8%	44.4%	44.1%
Managerial & professional spec.	44.7	44.3	43.4	42.7
Executive, administrative, managerial	39.3	37.9	36.8	35.6
Professional specialty	49.8	50.1	49.4	49.1
Technical, sales, & admin. support	64.8	64.7	64.7	64.7
Technicians & related support	47.9	48.5	47.0	47.2
Sales occupations	48.9	48.0	48.2	48.1
Administrative support/clerical	80.1	80.0	82.4	80.2
Service occupations	60.5	60.6	60.7	60.6
Protective service	14.3	14.2	12.4	13.2
Service except protective & private household	65.1	65.2	65.0	64.4
Precision production, craft, repair	8.7	8.5	8.6	8.4
Operators, fabricators, laborers	25.7	25.8	25.4	25.4
Farming, forestry, fishing	16.3	15.8	15.9	15.9

Source: U.S. Bureau of Labor Statistics:
Employment & Earnings (December 1988)

A majority of both older and younger women work in three occupational groups: sales, administrative support, and services. These jobs often pay low wages. While young women have increased their representation in some nontraditional fields, such as law and medicine, most employment growth continues to be in traditionally female occupations.

LABOR FORCE, EMPLOYMENT, EARNINGS

Earnings

Weekly earnings for production or nonsupervisory workers in private nonagricultural industries averaged $323.29 in 1988, which in terms of current dollars was 3.5% over the 1987 average, and 37.5% over the 1980 level. However, when measured in constant 1977 dollars, the 1988 average was slightly below (-0.6%) the 1987 level and 2.6% below the 1980 average.

Average Weekly Earnings, Private Nonagricultural Industries: Selected Years: 1980-1988

(For production or nonsupervisory workers)

	1988	1987	1986	1985	1982	1980
Current dollars:	$323.29	$312.50	$304.85	$299.09	$267.26	$235.10
Constant 1977 dollars:	168.29	169.28	171.07	170.42	168.09	172.74
Year to year change:						
Current $	3.5	2.5	1.9	2.1	4.7	6.9
Constant $	-0.6	-1.0	0.4	-1.4	-1.2	-5.8

Median weekly earnings of families with earners (not including those with a head either self-employed or in the Armed Forces) were reported at $596 in 1988, up 4.2% on a current dollar basis over the 1987 median. Among married couple families with one earner (12.4 million out of the total of 33.9 million), median weekly earnings were $418 in 1988; among those with two or more earners (21.5 million), the median was $811.

Median Weekly Earnings of Families By Type: 1987, 1988

	Number (000)		Median Weekly Earnings	
	1988	1987	1988	1987
Total families with earnings	42,913	42,733	$596	$572
Married-couple families	33,864	33,844	668	637
One earner	12,365	12,668	418	405
Husband	9,429	9,640	489	477
Two or more earners	21,499	21,176	811	776
Husband & wife	18,945	18,473	824	789
Families maintained by women	6,989	6,963	334	317
One earner	4,741	4,702	260	254
Two or more earners	2,247	2,260	554	514
Families maintained by men	2,061	1,926	486	478
One earner	1,221	1,144	374	353
Two or more earners	840	782	700	675

Source: U.S. Bureau of Labor Statistics: Employment & Earnings (Dec. '88)

The Department of Commerce reported that total compensation for employees in 1988 amounted to $2,904.9 billion (current dollars), gaining 8.2% over 1987. The wage and salary component amounted to $2,437.1 billion, up 8.4%. Some economists downplay the inflationary aspects of this increase in noting that most increases were due to salaries for new workers rather than pay raises for the rest of the work force.

LABOR FORCE, EMPLOYMENT, EARNINGS

Earnings: Men/Women

Partly reflecting their occupational distribution, women of all ages earn substantially less than their male counterparts. The overall average is also affected by the larger number of women who work only part time--representing 32% of women workers in 1987 compared with the 14% of male workers who were part-timers. However, regardless of work schedules, the median earnings and average earnings of women fall well below that of males. Only 13% of women workers earned $25,000 or more in 1987 compared with abut 39% of male workers.

Patterns in Work Schedules & In Earnings: By Sex, 1987
(Number of workers in thousands)

	Total Workers	Full Time (No. of Weeks)				Part Time
		Total	50-52	27-49	26	
Men						
Number	69,501	59,829	47,115	7,492	5,223	9,672
Earnings:						
Median	$19,878	$22,548	$26,008	$13,678	$3,696	$2,777
Mean	$23,285	$26,197	$29,866	$17,155	$6,074	$5,207
Number with earnings of $25,000 +	26,966	26,684	24,962	1,544	179	282
% of workers	38.8%	44.6%	53.0%	20.6%	3.4%	2.9%
Women						
Number	59,304	40,426	29,884	5,791	4,751	18,878
Earnings:						
Median	$10,618	$14,751	$16,909	$10,275	$2,855	$3,401
Mean	$12,622	$16,221	$18,839	$12,485	$4,294	$4,893
Number with earnings of $25,000 +	7,521	7,262	6,676	535	50	259
% of workers	12.7%	18.0%	22.3%	9.2%	1.0%	1.4%

Source: U.S. Bureau of the Census, Current Population Reports: Money Income and Poverty Status in the U.S.: 1987 (Series P-60, No. 161) (Advance data from the March 1988 Current Population Survey)

Details in the above cited report did indicate gains in earnings of women on full-time schedules have outpaced gains for their male counterparts: 1987 vs. 1982: +10.3% for women, +4.8% for men, as measured in constant 1987 dollars.

Earnings: Men/Women (continued)

Earnings of Year-Round Full Time Workers, By Sex: 1980-1987
(Median Annual Earnings in 1987 Dollars)

Year	Men	Women
1987	$26,008	$16,909
1986	26,179	16,825
1985	25,562	16,507
1984	25,405	16,172
1983	24,930	15,859
1982	24,817	15,323
1981	25,318	14,997
1980	25,671	15,443

Source: U.S. Bureau of the Census, Current Population Reports: Money Income and Poverty Status in the U.S.: 1987 (Series P-60, No. 161) (Advance data from the March 1988 Current Population Survey)

The "earnings gap" is greatest for the oldest workers: women age 55 to 64 who worked year-round, full time in 1987 earned only 56% as much as men of the same age with the same schedule. Those age 25 to 34 who worked full schedules earned 73% as much as their male counterparts, so the gap will diminish somewhat over time.

Median Weekly Earnings of Full-Time Wage & Salary Workers By Sex & Age 1985, 1987

	Men		Women	
Age	1987	1985	1987	1985
Total, 16 years & over	$ 433	$ 406	$ 303	$ 277
16 to 24 years	257	240	226	210
25 years & over	477	442	321	296
25 to 34 years	411	393	316	295
35 to 44	510	486	336	307
45 to 54	519	488	324	291
55 to 64	495	467	308	284
65 years & over	380	367	260	242

Source: U.S. Bureau of Labor Statistics: Employment & Earnings (January issues)

A Rand Corporation study just released is based on a survey of wages and skill levels of American women between 1920 and 1986. The study found that wages for working women increased from 60% of men's in 1980 to 65% in 1986. It was estimated that women would make at least 74% of men's wages by 2000.

INCOME WEALTH

Disposition of Income

Constant-dollar disposable personal income--after tax income adjusted to remove the effects of inflation--registered a gain of 3.8% in 1988 over the 1987 level. This compares with the 1.7% rise reported by the Bureau of Economic Analysis, Department of Commerce, for 1987 compared with 1986.

In current dollars, disposable personal income reached $3,472.9 billion, according to a preliminary report issued by the BEA, rising 8.2% over 1987. Per capita disposable income in current dollars at $14,107 in 1988 was up 7.2%. However, adjusted for price increases, the real gain in per capita disposable income was only 2.9%.

The year 1989 started on a strong note in terms of disposable personal income. The seasonally adjusted annual rate in current dollars in the fourth quarter of 1988 was $3,587.1 billion, 8.2% over the annual rate of $3,315.8 billion averaged in the last quarter of 1987. Measured in 1982 dollars to adjust for inflation, the fourth quarter 1988 annual rate was up 3.8%.

The savings rate turned up from 3.2% of disposable income in 1987 to 4.2% for the year 1988 according to preliminary data. This was the best rate since 1985 (4.5), but compares with 7.5% averaged in 1981 and the peak of 9.4% in 1973.

The U.S. savings rate is about a fifth of the average of the industrialized countries and presents problems not only in relation to the high level of consumer debt but also in view of the need to look to savings to help finance capital improvements and expansion. The U.S. has been counting on foreign capital for much of these needs. Some economists anticipate a revival in savings as the baby boomers approach their peak savings years--ages 45 to 49--the rational being that they have to a large extent taken care of the need for major expenditures. There is little in current indicators to suggest that this will occur.

The following table profiles personal income by major source and its disposition. Wages and salaries (not including employer contributions for social insurance) are the largest single component of personal income, accounting for 60% in 1988. Interest income climbed from 13.9% of the total pie in 1987 to 14.2% last year, reflecting the rise in rates.

INCOME WEALTH

Disposition of Income

Profile of Personal Income & Outlays: 1986-1988
(Billions of dollars)

				% Change	% of Total		
	1988(p)	1987(r)	1986	1988/87	1988	1987	1986
Personal income, total	$4,063.2	$3,780.0	$3,531.1	7.5%	100.0%	100.0%	100.0%
Wages, salaries	2,437.1	2,248.4	2,094.0	8.4	60.0	59.5	59.3
Other labor income	218.3	207.9	196.1	5.0	5.4	5.5	5.6
Proprietors'income*	324.7	312.9	286.7	3.8	8.0	8.3	8.1
Rental income*	19.6	18.4	12.4	6.5	0.5	0.5	0.4
Dividend income	96.3	88.6	82.8	8.7	2.4	2.3	2.3
Interest income	576.3	527.0	499.1	9.3	14.2	13.9	14.1
Transfer payments	586.0	548.8	521.1	6.8	14.4	14.5	14.8
Minus adjustment for personal contributions for social insurance	- 195.1	- 172.0	- 161.0	--	- 4.8	- 4.5	- 4.6
LESS:							
Personal tax & nontax payments	590.3	570.3	511.4	3.5	--	--	--
EQUALS:							
Disposable personal income	3,472.9	3,209.7	3,019.6	8.2	--	--	--
LESS:							
Personal outlays***	3,325.9	3,105.5	2,898.0	7.1	--	--	--
EQUALS:							
Personal saving	147.0	104.2	121.7	41.1	--	--	--
Savings rate: (% of disposable income)	4.2	3.2	4.0	--	--	--	--
Disposable personal income in billions of 1982 $	2,789.4	2,686.3	2,640.9	3.8	--	--	--
Per capital disposable income:							
Current dollars	14,107	13,157	12,496	7.2	--	--	--
1982 dollars	11,331	11,012	10,929	2.9	--	--	--
Population (millions)	246.2	243.9	241.6	0.9	--	--	--

(p) preliminary (r) revised

* Inventory valuation/capital consumption adjustments included.

** Consists mainly of social insurance benefits, direct relief, veterans payments.

***Includes personal consumption expenditures, interest paid by consumers to business, and net personal transfer payments to foreigners.

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Income/Poverty Levels

Trends in income and poverty in the U.S. in real terms, based on a constant 1987 dollar, have been traced by the Census Bureau. Per capita income was at an all-time high of $12,287 in 1987. Since 1982, real median family income, when measured in 1987 dollars, has increased by 11.8%. The increase in each of the past 5 years brought the 1987 level above the previous record set in 1973.

Income/Poverty Levels (continued)

Measures of family income cover the income of related persons living in households, and do not include income of unrelated individuals. Changes in living arrangements are, therefore, a factor in the level of family income. The average population (all ages) per family has steadily declined since 1965, falling from 3.70 to 3.17 in 1988. The average for family members age 18 and over declined from 2.26 to 2.21. Nearly 80% of families are married couple families, and the median income for this a group was $34,700 in 1987, up 2% in real terms compared with 1986.

The number of persons below the official Government (Office of Management and Budget) poverty level definition was 32.5 million in 1987, representing 13.5% of the Nation's population--about equal to the 1986 rate but considerably higher than in the 1970's. In 1973, the number of poor was reported at 23 million, and the poverty rate was 11.1%. Half the Nation's poor in 1987 were either children under 18 years (40%) or the elderly (10.7%). The poverty rate for children averaged 20.6%--the highest for any age group and comparing with a rate of 12.2% for persons age 65 and over, and 10.8% for those age 18 to 64. White children's poverty rate was 15.6; Black children, 45.8; Hispanic, 39.5.

It should be noted that this data does not include non-cash benefits, government subsidies, etc.; it is limited to money income (see the section on Income Distribution).

The government's definition of poverty levels varies by family size and composition, and the thresholds are updated every year to reflect changes in the Consumer Price Index.

Trends in Income and Poverty, Selected Years 1970-1987
(Income and earnings in 1987 dollars)

Year	Median Family Income	Per Capita Income	Persons in Poverty Number (thous.)	Persons in Poverty Percent
1987	$30,853	$12,287	32,546	13.5%
1986	30,534	12,096	32,370	13.6
1985	29,302	11,635	33,064	14.0
1980	28,996	10,740	29,272	13.0
1978	30,730	11,245	24,497	11.4
1973	30,820	10,591	22,973	11.1
1970	28,880	9,299	25,420	12.6

Source: U.S. Bureau of the Census: Current Population Reports (Series P-60, No. 161)

Per Capita Income, By Race and Hispanic Origin
In Current Dollars and in 1987 Dollars--Selected Years: 1970-1987

	All Races	White	Black	Hispanic Origin*
In current dollars				
Year				
1987	$ 12,287	$ 13,031	$ 7,499	$ 7,611
1986	11,670	12,352	7,207	7,000
1985	11,013	11,671	6,840	6,613
1980	7,787	8,233	4,804	4,865
1978	6,455	6,797	4,034	3,961
1973	4,141	4,361	2,521	2,454
1970	3,177	3,354	1,869	na

(continued)

Income/Poverty Levels (continued)

Per Capita Income, By Race and Hispanic Origin In Current Dollars and in 1987 Dollars--Selected Years: 1970-1987 (continued)

	All Races	White	Black	Hispanic Origin*
In 1987 dollars				
1987	$ 12,287	$ 13,031	$ 7,499	$ 7,611
1986	12,096	12,803	7,470	7,256
1985	11,635	12,330	7,226	6,987
1980	10,740	11,355	6,626	6,710
1978	11,245	11,841	7,028	6,900
1973	10,591	11,153	6,447	6,276
1970	9,299	9,817	5,470	na

* Persons of Hispanic origin may be of any race.
na not available

Source: U.S. Bureau of the Census

Money Income of Individuals

The Current Population Survey conducted each year in March by the Census Bureau provides data on money income of individuals, families and households. An advance report from the March 1988 survey showed that in the population age 15 and over, 85.6 million males and 89.3 million females had their own money income in 1987. In 1982, comparable counts were 79.7 million males, 82.5 million females. Median income for males in 1987 was $17,752, up 27% compared with 1982 (in current dollars). For women, the median was $8,101, 37.6% over 1982.

Of those with own income, 55.6% of the males were year-round, full time workers, with income centered at $26,722. Of women, only 33.4% were year-round, full time workers, with income centered at $17,504.

Within 5-year age groupings, the highest median income for men was for the 6.2 million age 45 to 49 in 1988. Their 1987 median income was $29,484. Among women, the highest level was among the 8.1 million age 40 to 44, who had a median income of $12,090.

Grouped in 10-year intervals, the highest median was for the 11.5 million men age 45 to 54, with income centered at $28,685. Almost 57% of this group had incomes of $25,000 or more; 37% had incomes upwards of $35,000; 17.3%, incomes of $50,000 or more. Next in percent in higher income brackets (but greater in total number) were men age 35 to 44. The 17.1 million in this group had a median income in 1987 of $26,828; 54% had incomes of $25,000 or more; 31.6% had incomes upwards of $35,000; 13.2%, $50,000 or more.

Of men with own money income of $75,000 or more--a total of 2.2 million in 1988--33% were age 35 to 44 years; 30.5% were 45 to 54. Men with income of $50,000 or more numbered 6.9 million and 32.6% were age 35 to 44; 29% were 45 to 54.

Money Income of Individuals (continued)

As noted above, women age 40 to 44 had the highest median income in 1987. In the broader age group -- 35-44 encompassing the biggest number of well-paid career women--the median was $11,969 for the 17.6 million women in this category. Within the group, 17.6% had incomes of $25,000 and up; 6.9%, $35,000 or more.

Only 268,000 women had own money income of $75,000 or more in 1987, distributed throughout age brackets rather evenly after age 25; 976,000 had own incomes of $50,000 or more and 32.4% were age 35 to 44, 21% were age 45 to 54.

The distribution by age groups of men and women who had incomes upwards of $25,000 in 1987 showed a similar pattern for men and women, with the largest number found in ages 35 to 44 years as of 1987.

Distribution by Age of the Population With Own Money Income Of $25,000 or More & $35,000 or More in 1987

	$25,000 or More			$35,000 or More		
	Total	Men	Women	Total	Men	Women
Total population with indicated income (thous.)	39,901	30,223	9,678	20,413	16,835	3,579
Percent	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Under 25 years of age	2.0	1.9	2.5	1.1	1.0	1.6
25 - 34 years	25.2	25.1	25.5	20.1	20.0	20.5
35 - 44 years	30.9	30.6	32.1	32.4	32.0	34.0
45 - 54 years	21.1	21.7	19.4	24.5	25.4	20.4
55 - 64 years	13.7	14.5	11.3	15.5	16.0	13.3
65 & up	6.9	6.2	9.2	6.4	5.6	10.2

Source: U.S. Bureau of the Census, Current Population Reports: Based on Money Income and Poverty Status in the U.S.: 1987 (Series P-60, No. 161) (Advance Data from the March 1988 Current Population Survey)

Of men with their own money income who were 35 to 44 years of age, 77.6% were year-round full-time workers. Of women of this age with own income, 49.3% were employed year round, full time.

The following table from the Census Bureau report shows the number of people in the U.S. with own money income, detailed by sex and age.

INCOME/WEALTH

Money Income of Individuals (continued)

Number & Percent of Men & Women Age 15 Years & Over
By Total Money Income: 1987
(Numbers in thousands)

		Age Groups (years)						
	Total	15-19	20-24	25-34	35-44	45-54	55-64	65 & over
MALES, total	90,284	9,089	9,254	21,321	17,077	11,520	10,186	11,837
With no income	4,660	2,944	525	476	260	178	201	75
With income	85,623	6,145	8,729	20,844	16,817	11,342	9,985	11,762
Under $10,000	25,091	5,731	4,541	4,001	2,324	1,563	2,116	4,815
$10,000-$19,999	21,595	368	3,025	6,335	3,248	2,061	2,408	4,150
$20,000-$24,999	8,714	18	615	2,905	2,009	1,165	1,078	923
$25,000-$34,999	13,390	18	386	4,235	3,845	2,280	1,698	927
$35,000-$49,999	9,941	4	107	2,419	3,141	2,278	1,478	515
$50,000-$74,999	4,669	7	46	739	1,518	1,317	781	260
$75,000 & over	2,225	--	7	208	732	679	426	172
Sub total:								
$25,000 & up	30,225	29	546	7,601	9,236	6,554	4,383	1,874
Median income	$17,752	$1,932	$ 9,529	$20,112	$26,828	$28,685	$21,906	$11,854
Mean income	$22,684	$3,256	$10,901	$22,160	$30,782	$33,508	$27,428	$16,464
MALES, total %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
With no income	5.2	32.4	5.7	2.2	1.5	1.5	2.0	0.6
With income	94.8	67.6	94.3	47.8	98.5	98.5	98.0	99.4
Under $10,000	27.8	63.0	49.1	18.8	13.6	13.6	20.8	40.7
$10,000-$19,999	23.9	4.0	32.7	29.7	19.0	17.9	23.6	35.1
$20,000-$24,999	9.6	0.2	6.6	13.6	11.8	10.1	10.6	7.8
$25,000-$34,999	14.8	0.2	4.2	19.9	22.5	19.8	16.7	7.8
$35,000-$49,000	11.0	*	1.2	11.3	18.4	19.8	14.5	4.3
$50,000-$74,999	5.2	0.1	0.5	3.5	8.9	11.4	7.7	2.2
$75,000 & over	2.5	--	*	1.0	4.3	5.0	4.2	1.5
Sub total:								
$25,000 & up	33.5%	0.3%	5.9%	35.6%	54.1%	56.9%	43.0%	15.8%
FEMALES, total	98,168	8,907	9,586	21,649	17,606	12,275	11,456	16,691
With no income	8,889	2,941	875	1,557	1,183	1,124	987	223
With income	89,279	5,966	8,710	20,092	16,423	11,151	10,469	16,467
Under $10,000	50,497	5,655	5,722	9,193	7,151	5,081	6,193	11,502
$10,000-$19,999	22,783	271	2,401	6,474	4,495	3,108	2,551	3,484
$20,000-$24,999	6,321	28	362	1,955	1,673	1,086	629	588
$25,000-$34,999	6,099	1	181	1,738	1,886	1,145	620	528
$35,000-$49,999	2,602	7	35	561	900	529	328	243
$50,000-$74,999	708	3	4	130	246	144	102	78
$75,000 & over	268	1	6	41	71	59	46	45
Sub total:								
$25,000 & up	9,677	12	226	2,470	3,103	1,877	1,096	894
Median income	$ 8,101	$1,877	$6,895	$11,049	$11,969	$11,219	$ 7,445	$6,734
Mean income	$11,435	$2,965	$8,406	$12,796	$14,768	$14,127	$11,139	$9,547

(continued)

Money Income of Individuals (continued)

Number & Percent of Men & Women Age 15 Years & Over
By Total Money Income: 1987

(Numbers in thousands)
(continued)

		Age Groups (years)						
	Total	15-19	20-24	25-34	35-44	45-54	55-64	65 & over
FEMALES, total %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
With no income	9.1	33.0	9.1	7.2	6.7	9.2	8.6	1.3
With income	90.9	67.0	90.9	92.8	93.3	90.8	91.4	98.7
Under $10,000	51.4	63.5	59.7	42.5	40.6	41.4	54.1	68.9
$10,000-$19,999	23.2	3.0	25.0	29.9	25.5	25.3	22.3	20.9
$20,000-$24,999	6.4	0.3	3.8	9.0	9.5	8.8	5.5	3.5
$25,000-$34,999	6.2	0.2	1.9	8.0	10.7	9.3	5.4	3.2
$35,000-$49,999	2.6		0.4	2.6	5.1	4.3	2.9	1.5
$50,000-$74,999	0.7		0.1	0.6	1.4	1.2	0.9	0.5
$75,000 & over	0.3			0.2	0.4	0.5	0.4	0.3
$25,000 & up	9.9%	0.1%	2.4%	11.4%	17.6%	15.3%	9.6%	5.4%

* Less than 0.1%

Source: See page 60.

Household Income

Household Income includes income of all members of the household, and levels over the years are affected by the changes in household composition. The average population age 18 and over per household had declined from 2.05 in 1970 to 1.94 by 1988. For all ages it fell from 3.14 to 2.64. Changing composition by age and work experience of earners are other important factors in measuring trends over time.

As noted in the section on HOUSEHOLDS/FAMILIES, households are made of a variety of living arrangements, involving married couple families, unrelated individuals, single individuals, etc. As of the March 1988 Current Population Survey, the Census Bureau counted 91,066,000 households in the U.S. with money income averaging $32,144 and the median at $25,986. In 1980, there were 82,368,000 households with average income (in current dollars) of $21,063; median income at $17,710.

Household Income (continued)

Selected Characteristics of Households As of March 1988 With Money Income in 1987

U.S. Total & Regional Distribution of Households By Income Bracket

(Numbers in thousands)

	U.S. Total	Northeast	Midwest	South	West
Total number	91,066	19,137	22,402	31,047	18,480
Annual income:	100.0%	100.0%	100.0%	100.0%	100.0%
Under $20,000	39.0	36.1	39.6	42.4	35.6
$20,000-$24,999	9.2	8.5	9.0	9.8	9.2
$25,000-$34,999	16.1	15.9	17.1	15.3	16.3
$35,000-$49,999	17.2	18.0	17.5	16.3	17.7
$50,000-$74,999	12.2	13.5	11.8	10.9	13.5
$75,000 & over	6.3	8.0	5.0	5.3	7.7
Median income:	$25,986	$28,069	$25,722	$23,719	$27,914
Mean income:	$32,144	$34,535	$30,886	$29,928	$34,918

Distribution of Households By Age & Sex of Householder By Money Income Bracket

	Under 25	25-34	35-44	45-54	55-64	65+	Male	Female
Total number	5,228	20,583	19,323	13,630	12,846	19,456	62,773	28,293
Annual income:	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Under $20,000	60.1	34.3	24.3	23.8	36.6	65.1	28.5	62.5
$20,000-$24,999	11.5	11.1	8.3	7.2	9.1	9.1	9.5	8.6
$25,000-$34,999	15.8	20.3	17.5	15.3	15.2	11.5	17.8	12.4
$35,000-$49,999	8.1	20.4	23.5	20.5	17.0	7.9	20.6	9.4
$50,000-$74,999	3.6	10.9	17.5	20.0	13.7	4.1	15.5	4.9
$75,000 & over	0.9	3.0	8.9	13.1	8.4	2.3	8.1	2.2
Median income:	$16,204	$26,923	$34,929	$37,250	$27,538	$14,334	$31,534	$14,600
Mean income:	$19,504	$30,200	$39,529	$43,796	$34,818	$20,333	$37,378	$20,532

Source: U.S. Bureau of the Census, Current Population Reports: Money Income and Poverty Status in the United States: 1987 (Series P-60, No. 161) (Advance Data from the March 1988 Current Population Survey)

A Special Studies report on household income before and after taxes was issued by the Census Bureau in June 1988 which included a summary of key before-and after-tax household income statistics for the 1980-86 period.

Household income after taxes averaged $23,680 in 1986, up 2.6% from 1985 after adjustment for inflation. This was the fifth consecutive annual real increase in after-tax income. The growth from 1981 to 1986 was 12.3%. Before-tax income was up 12% in the period and federal income tax rates were decreased early in the decade.

Household Income (continued)

Household Income Statistics Before and After Taxes: 1980, 1982, 1984, 1986
(In 1986 dollars)

	1986	1984	1982	1980
Number of households (000)	89,479	85,407	82,368	80,776
Mean household income:				
Before taxes	30,759	28,991	27,613	28,027
After taxes	23,683	22,763	21,499	21,652
Median household income:				
Before taxes	24,897	23,662	22,913	23,565
After taxes	20,354	19,560	18,779	19,362
Mean amount of total taxes paid	7,647	6,754	6,664	6,893
Taxes as a % of total income	23.4%	21.9%	22.6%	23.1%

Source: U.S. Bureau of the Census, Current Population Reports: Household After-Tax Income: 1986 (Series P-23, No. 157)

Income Distribution

The Census Bureau has reports on the share of money income accounted for by households at various income levels. Of the 89,479,000 households in 1986, a third (29,764,000) had before-tax income of $35,000 or more. Their share of total aggregate before-tax income was 63.3% and 59.8% after taxes.

Share of Aggregate Income--Before and After Taxes--Accounted For By Households At Specified Income Levels: 1986

Before-Tax Money	Households		Before Taxes		After Taxes	
Income Levels	Thousands	Percent	Bil. of $	Percent	Bil. of $	Percent
Total	89,479	100.0%	$2,752.3	100.0%	$2,119.1	100.0%
Under $10,000	17,130	19.2	95.5	3.4	88.7	4.2
$10,000-$14,999	9,854	11.6	122.0	4.5	109.2	5.1
$15,000-$19,999	9,302	10.4	161.1	5.9	138.7	6.5
$20,000-$24,999	8,617	9.6	192.3	7.0	160.9	7.6
$25,000-$34,999	14,811	16.5	439.1	15.9	354.6	16.8
$35,000-$39,999	6,090	6.8	227.0	8.3	178.3	8.4
$40,000-$49,999	8,667	9.7	384.9	14.0	296.8	14.0
$50,000-$59,999	5,804	6.5	315.2	11.5	238.0	11.2
$60,000-$74,999	4,281	4.8	284.2	10.3	209.2	9.9
$75,000 & over	4,922	5.5	530.7	19.3	345.1	16.3

Source: Same as above.

The Census data shows changes in the pattern of income distribution. In 1980 the highest fifth of households based on total money income before taxes had 44.2% of total income. This share increased each year, reaching 46.1% by 1986. There was less concentration based on after tax income, but the pattern was similar. The share of total after tax income accounted for by the top fifth of U.S. households rose from 40.6% in 1980 to 42.6% in 1986. (These measures are based on a constant 1986 dollar, eliminating inflation.)

Income Distribution (continued)

Share of Total Income By Fifths of Households, Selected Years: 1980, 1982, 1984, 1986
(Based on 1986 dollars)

	1986	1984	1982	1980
Number of households	89,479	85,407	82,368	80,776
Income before taxes:				
Lowest fifth (of households)	3.7%	4.0%	4.0%	4.1%
Second fifth	9.7	9.8	9.9	10.2
Third fifth	16.2	16.4	16.5	16.8
Fourth fifth	24.3	24.6	24.6	24.8
Highest fifth	46.1	45.3	45.0	44.2
Income after taxes:				
Lowest fifth	4.4	4.7	4.7	4.9
Second fifth	10.9	11.0	11.3	11.6
Third fifth	17.2	17.2	17.5	17.9
Fourth fifth	24.8	24.8	24.8	25.1
Highest fifth	42.6	42.3	41.8	40.6

Source: U.S. Bureau of the Census:
Current Population Reports (Series P-23, No. 157)

The 1988 Current Population Survey conducted by the Census Bureau showed the top 5% of families based on income had 17% of aggregate income as of 1987; the top 5% of unrelated individuals (persons not living with any relatives) had a 19.3% share of aggregate income reported for this population.

Detailed information on family income may be found in the report, Trends in Family Income: 1970-1986 published in February 1988 by the Congressional Budget Office, the Congress of the United States. Findings on family income distribution based on a study by the Bureau of Labor Statistics were published in the May 1988 Monthly Labor Review. This study finds a decline in the population of middle-class families, with most of the shift going to the upper income bracket.

A Census Bureau report released in December 1988 analyzed the effect of taxes and Government benefits on the Nation's poverty rate and income distribution. Government benefit programs, particularly Social Security, substantially redistribute income in the U.S., while the tax system does so only slightly, the Census Bureau concluded. Along with Social Security payments, the value of government-financed health care, food stamps, subsidized school lunches and other non-cash benefits are counted. Factoring in these benefits would count the estimated number of American living below the poverty line to 27.6 million from 32.4 million, according to this report.

Income Distribution (continued)

Household Income Distribution: 1986

	Before All Govt. Programs	After Taxes, But Before Govt. Programs	After Taxes and Govt. Programs
Share of income to richest 20% of households	52.4%	50.3%	45.7%
Share of income to middle 60% of households	46.7	48.6	49.6
Share of income to poorest 20% of households	1.0	1.1	4.7
Percentage of people living in poverty	19.9	21.2	11.6

Source: U.S. Bureau of the Census, Current Population Report: Consumer Income: Measuring the Effect of Benefits and Taxes on Income and Poverty-1986.

The Census Bureau estimates that the median household income of those 65 and over in 1986 was $7,005, and 47% of the aged were below the poverty line. If Government programs are not counted. The actual median household income of the elderly in 1986, however, was $14,922, largely due to Social Security income, and the poverty rate was 12.4%.

Household Wealth & Asset Ownership

The most recent detailed analysis of household wealth and asset ownership was published by the Census Bureau in July 1986 and covered data for the year 1984. Included were interest-earning assets, stocks and mutual fund shares, real estate (own home, rental property, vacation homes, land holdings), own business or profession, mortgages held by sellers, and motor vehicles. Net worth included the value of covered assets less liabilities.

Median Net Worth & Distribution of Net Worth By Monthly Household Income: 1984

Monthly Household Income	Households Number (000)	Percent	Median Net Worth	Distribution of Net Worth
Total	86,790	100.0%	$32,677	100.0%
Less than $900	22,297	25.7	5,080	9.7
$900 to $1,999	26,599	30.6	24,647	20.5
$2,000 to $3,999	27,173	31.2	46,744	31.8
$4,000 or more	10,720	12.4	123,474	38.0

Source: U.S. Bureau of the Census, Current Population Reports: Household Wealth and Asset Ownership: 1984 (Series P-70, No. 7)

Real household net worth, per capita, reached a record $53,6000 in 1987, up from $43,800 in the recession year 1982 and $51,800 in 1986. (Federal Reserve Bulletin, September 1988.)

CONSUMER DEBT

Consumer expenditures were maintained at a strong level, particularly in the latter part of 1988 and this was reflected in a rise of 8.75% in consumer installment credit outstanding compared with a 7.5% 1987 gain, according to the Federal Reserve Board. In December, alone, Americans took on $5.4 billion, more debt than they paid off. Revolving credit, the category that includes credit cards, increased by $1.4 billion in December, a 9.1% annual rate of growth.

An analysis by the FRB in the September 1988 Federal Reserve Bulletin indicated that the consumption-related debt of the household sector has grown substantially during the current economic advance, both absolutely and relative to disposable income. This is seen as a key factor in the rise in personal bankruptcies.

The aggregate debt-to-income ratio is currently at nearly 19% according to the FRB. The rise in interest rates will be a factor in increasing this ratio, particularly affecting households which have mortgage payments and home equity loans at variable rates.

Consumer Installment Credit, By Major Holder, Outstanding December 1988/1987
(Millions of dollars)

	End of December 1988	End of December 1987	Percent Change
Total	$ 679,289	$ 623,628	8.9%
Major holder:			
Commercial banks	325,318	285,856	13.8
Finance companies	144,731	141,118	2.6
Credit unions	87,129	82,044	6.2
Savings institutions	68,701	64,099	7.2
Retailers	49,736	46,907	6.0
Gasoline companies	3,674	3,604	1.9

Source: Federal Reserve Board: Installment Credit, G.19

CONSUMER PRICE LEVELS

The Consumer Price Index for all urban consumers for the year 1988 averaged 4.1% above the 1987 level. At the end of December, the index (based on the 1982-1984 average equal to 100) was reported by the Bureau of Labor Statistics at 120.5, 4.4% above the December 1987 index, representing the inflation rate for the year.

With the increased cost of imports due to the devaluation of the dollar as well as an overall increase in raw materials, and price increases sparked by competitive conditions, which are reflected in current increases in wholesale prices, the possibility that inflation will grow to an uncomfortable extent is real. Evidence of concern is seen in moves by the FRB to raise interest rates and slow down a heating economy.

CONSUMER PRICE LEVELS

Trends in the Consumer Price Index (CPI-U): 1980-1988
1982-1984=100

	Annual Index	Year-to-Year Change	Dec.-Dec. Change
1980	82.4	13.5	12.5
1981	90.9	10.3	8.9
1982	96.5	6.2	3.8
1983	99.6	3.2	3.8
1984	103.9	4.3	3.9
1985	107.6	3.6	3.8
1986	109.6	1.9	1.1
1987	113.6	3.6	4.4
1988	118.3	4.1	4.4

Source: U.S. Bureau of Labor Statistics

CONSUMER SPENDING

Price deflators used by the Bureau of Economic Analysis in calculations on real growth in the gross national product are a more comprehensive measure of inflation since they reflect changes in buying patterns. The price deflator on the personal consumption expenditure component of the GNP in 1988 average 4.2% gain over 1987 on a constant dollar basis, following a 4.5% rise in 1987. The sharpest rise in 1988 was in the cost of services--up 4.9%. The nondurable goods price deflator rose 3.8%; durable goods, 2.0%

Personal consumption expenditures for all goods and services reached a total of $3,226 billion in 1988. In current dollars, this represented a gain of 7.1% over the 1987 total. Adjusted for inflation, the gain was 2.8%. This follows a 7.3% gain in current dollar expenditures in 1987 compared with 1986; a 2.7% gain adjusted for inflation.

Detailed data on total personal consumption expenditures by type of spending are compiled by the Bureau of Economic Analysis, U.S. Department of Commerce. This series is part of the analysis of the Gross National Product, and figures represent the total value at retail of goods and services reaching the consumer. The values are of course larger than sales strictly through retail outlets.

Disposable personal income rose 8.2% in current dollars in 1988 compared with 1987. On a constant 1982 base, the real gain was 2.8%. Trends in real changes in spending, adjusting for inflation, compared with current dollar charges are shown below.

Trends in Selected Personal Consumption Expenditures In Current Dollars Vs. Constant 1982 Dollars

(Percent change)

	Current Dollars		Constant Dollars	
	1988/1987	1988/1985	1988/1987	1988/1985
Personal consumption expenditures	7.1%	22.6%	2.8%	10.0%
Durable goods	6.6	20.9	4.5	15.1
Selected types:				
Motor vehicles & parts	6.2	16.1	4.0	7.8
Furniture & bedding	6.1	22.9	2.7	13.8
Kitchen & household appliances	5.4	19.6	4.8	19.6
China, glassware, utensils	3.6	18.9	1.9	8.8
Other durable homefurnishings	9.9	23.8	3.5	17.1
Jewelry	1.6	20.1	-5.5	2.9
Nondurable goods	4.9	14.9	1.0	6.2
Selected types:				
Food	4.8	17.0	0.7	4.1
Footwear	3.4	18.7	-1.2	10.4
Apparel:				
Women's, girls', children's	4.7	20.1	0.4	9.5
Men's, boys'	4.9	17.3	0.9	8.5
Services	8.6	28.5	3.5	11.3
Selected types:				
Housing	7.2	24.4	2.2	7.2
Household operation	-5.6	12.2	4.1	7.9
Transportation	10.4	30.5	4.9	14.2
Medical care	12.0	38.5	5.1	17.0
Personal care	7.1	24.3	2.9	10.9

Source: Based on Bureau of Economic Analysis reports.

Personal Consumption Expenditures By Major Categories: 1986-1988

(Billions of current dollars)

	1988	1987	1986
Total disposable personal income	$3,472.9	$3,209.7	$3,019.6
Personal consumption expenditures	3,226.0	3,012.1	2,807.5
Durable goods	449.9	421.9	406.5
Nondurable goods	1,047.2	997.9	943.6
Services	1,728.9	1,592.3	1,457.3
Major categories & selected types:			
Durable goods:			
Motor vehicles and parts	208.0	195.8	196.4
Furniture & household equipment	159.0	148.3	140.0
Other	82.9	77.8	70.1
Jewelry, watches	24.6	24.2	24.3
Wheel goods, durable toys, sports, equip.	36.2	33.4	29.8
Nondurable goods:			
Food (tobacco not included)	551.7	526.4	501.1
Clothing and footwear	186.3	178.2	167.0
Footwear	27.1	26.3	24.3
Apparel: (luggage is included)			
Women's & girls	107.5	102.7	96.2
Men's & boys'	51.5	49.1	46.4
Issued to military personnel	0.1	0.1	0.1

(continued)

CONSUMER SPENDING

Personal Consumption Expenditures By Major Categories: 1986-1988
(Billions of current dollars)
(continued)

	1988	1987	1986
Selected types			
Nondurables (cont'd.)			
Gasoline & oil	$ 78.8	$ 77.0	$ 73.3
Fuel oil & coal	17.3	16.2	16.7
Other nondurables	213.1	200.1	185.6
Services	1,728.9	1,592.3	1,457.3
Housing	501.4	467.7	434.3
Household operation	196.8	186.3	179.9
Transportation services	117.2	106.2	95.8
Medical care	403.7	360.3	320.1
Personal care	39.9	37.2	34.5
Personal business services	231.4	215.5	192.7
Private education, research	56.5	51.3	47.3
Recreational services	97.1	89.7	81.3
Religious & welfare	75.2	68.1	62.9
Net foreign travel by U.S.	9.7	9.9	8.5

Source: U.S. Department of Commerce, Bureau of Economic Analysis

RETAIL SALES

While retail sales of many categories were sluggish in 1988, particularly women's apparel, Christmas business gave an unexpectedly strong boost, and sales for the year through all types of retail outlets were up an estimated 6.7% over 1987, totaling $1,612 billion. Advance estimates issued by the Census Bureau for major store types are noted below.

Estimated Retail Sales By Type of Outlet: 1988
(Sales in millions of $)

	1988	1988/87 % Change
Retail trade, total	$1,611,971	+ 6.7%
Total excluding automotive group	1,254,203	+ 6.0
Durable goods stores, total	608,514	+ 8.8
Building materials, hardware, garden supply, mobile home dealers	83,794	+ 7.4
Automotive dealers; auto supply stores	357,768	+ 9.5
Automotive dealers	328,293	+ 9.5
Furniture, home furnishings, and equipment stores	92,237	+ 9.6
Nondurable goods stores, total	1,003,457	+ 5.5
General merchandise group stores	183,802	+ 4.5
Department stores, excl. leased depts.	154,241	+ 5.3
Food stores, total	331,031	+ 5.3
Grocery stores	311,838	+ 5.3
Gasoline service stations	107,977	+ 4.7
Apparel & accessory stores	83,024	+ 5.0
Eating & drinking places	157,363	+ 6.6
Drug & proprietary stores	60,198	+ 7.5
Liquor stores	na	--
Mail order houses (dept. store mdse.)	na	--

na not available

Source: U.S. Bureau of the Census, Current Business Reports: Advance Monthly Retail Sales (Dec. 1988)

HOME BUILDING/SALES

Barring a sharp downturn in the economy or a sharp rise in mortgage rates, housing should remain strong, economists say, chiefly because the baby boom generation has reached the home buying age. This is good news for home goods merchants which have been benefitting by the strong market in recent years.

However, there are signs of a downturn, particularly in some areas. A preliminary estimate on privately-owned housing units completed in 1988 was 1,528,000, 8% below the 1987 total of 1,668,800, according to a joint report issued by the Census Bureau and the Department of Housing and Urban Development.

While the value of residential construction contracts registered a decline in multiunit housing, contracts for one-family homes were up about 7% in current dollars, 2.9% in inflation-adjusted dollars. Sales of new private homes in 1988 totaled 677,000 up from 671,000 in 1987 following a 10.5% decline noted in 1987 as a result of rising interest rates and a general slow-down in demand after five strong years.

Not all regions shared in the 1988 sales gain. In the Northeast, sales were down 13.7%, to 101,000 new home sales, compared with a 9.7% gain in the West sparked by a strong performance in California.

The median price of a new home in 1988 rose 7.7% to $112,500. The average price was $138,300, up 8.7%. Prices of existing homes rose 3.4% in 1988 following a 6% gain in 1987. Many first-time buyers are being priced out of the market in some areas, according to a study by the National Association of Realtors. In the fourth quarter of 1988 the median resale price of an existing home was $87,900 compared with $85,000 a year earlier. But prices were much higher in some areas, such as the median $231,000 recorded in Orange County, California.

For most of 1988, fixed rates on long-term mortgages averaged about 10.75% and variable-rate mortgages about 9%. A good supply of mortgage money in the hands of the banks has been credited with keeping rates down, however, if the Federal Reserve Board continues to tighten credit, higher mortgage rates can be expected.

SCHEDULE OF ADDITIONAL FACT FILES

THE CHILDREN'S MARKET: INFANTS', TODDLERS', GIRLS' AND BOYS' (APPAREL, PLAYTHINGS & RELATED PRODUCTS): Includes a detailed statistical profile of the U.S. industry, i.e. number and size of manufacturers, production and shipments, employment trends and more. Also details imports and exports by product. At the retail level, this Fact File covers sales estimates, information on leading outlet types and on consumer price trends. The size of the growing potential market in terms of population counts and birth projections is outlined as well as consumer preferences and buying patterns in the consumer market.

CONSUMER MARKET DEVELOPMENTS (1988 Edition): Provides an overview of all facets of consumer market growth, including population size, age distribution, educational levels, employment by occupation groups, earnings. Development of specific market segments are analyzed which are shaped by changes in income levels, living arrangements working women, marriage and birth trends, and fast-changing economic developments.

DEPARTMENT STORE AND SPECIALTY STORE SALES (1988 Edition): Updates 1987 edition reports on department and specialty stores (number and sales) at the buying headquarter level, with information on branch stores where available. Data is organized for headquarter operations listed by city within the four major geographical regions of the U.S. Additional features: an alphabetical listing of major national chains in the general merchandise and apparel store classifications with the latest sales figures; a list of top traditional department store operations ranked by sales, covering store operations with a volume of $50 million or more in 1987; a list of conglomerates operating traditional department and apparel specialty stores, with the names and headquarter locations of these stores.

DRESSES, DRESS DEPARTMENTS, WASHABLE SERVICE APPAREL (WOMEN'S, MISSES', JUNIORS'): Includes trends in the U.S. industry, such as number of manufacturers, production, shipments; information on imports and their market penetration. Estimates are included on retail sales, as well as information on consumer spending patterns, and the growing importance of the service industries requiring washable service apparel.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported.

FOOTWEAR (MEN'S, WOMEN'S, BOYS', GIRLS'): A statistical analysis of the U. S. footwear industry and on imports, including import penetration by type of footwear, changes in sourcing patterns, etc. Also includes information at consumer spending patterns, retail sales by outlet type, operating ratios in footwear departments, consumer buying patterns.

HOME TEXTILES & RELATED PRODUCTS: Covers information on manufacturers in the industry, and developments resulting from consolidations, the quantity and value of U.S. production, foreign trade, total market supply. At the retail level, the report includes information on household spending, price trends and consumer buying habits. Included in this Fact File are facts on linens and domestics, as well as window coverings and related hardware, and bath shop items.

HOSIERY/LEGWEAR (MEN'S, WOMEN'S, BOYS' GIRLS'): A comprehensive report on these industries at the mill, retailer and consumer levels. Included are details on production and shipments, retail sales by type of outlet, patterns in consumer spending.

HOUSEHOLD FURNITURE AND BEDDING (Mattresses, Dual-Purpose Sleep Furniture, etc.): Reviews important market trends and provides an overview of important statistics at the manufacturing, retailing and consumer levels relating to furniture and bedding. Included is information on the number of manufacturers, the quantity and value of shipments, employment and earnings, and industry concentration levels. Retail data includes information on furniture store sales, the leading furniture stores and the leading department stores in furniture volume; trends in consumer spending for furniture and price level changes.

MEN'S FURNISHINGS AND WORK/CAREER APPAREL: Provides a summary of major market trends in men's shirts, (dress and sport), underwear, nightwear, robes, hosiery and headwear, as well as the growing market for work/career apparel. These products are covered at the U.S. industry level, including production and shipments, employment trends and manufacturer concentration levels. Imports are detailed by product in terms of quantity and value, as well as exports. Data at the retail level includes sales and operating results in men's furnishings in department and specialty stores.

MEN'S SPORTSWEAR, CASUAL WEAR, OUTERWEAR: The wide variety of men's wear items included in this broad category are covered; including available information on the industry and markets at the manufacturer, retailer and consumer levels. It covers information on production and shipments by U.S. producers, imports and exports, as well as estimates on retail sales and information on consumer buying practices.

MEN'S TAILORED CLOTHING/SEPARATES; RAINWEAR: Covers information on the fast-growing category, tailored (but unstructured) separates for men, as well as suits, jackets and coats made in the men's clothing industry, plus rainwear. U.S. industry data includes trends in the number of manufacturers, production and value of shipments, location of the industry and employment trends. Foreign trade is examined, including export and import developments. The U.S. consumer market is defined in terms of number in the population by age and by population groups. A look is taken at the Young Men's market and merchandising practices of stores to reach this market.

RETAILING/MERCHANDISING TRENDS: Covers the dramatic changes underway in the operations, of the large retailing organizations, such as the decentralization of operations beyond traditional geographic boundaries and diversification of operations to include store types differing from the primary business. Also covered are developments in brand name merchandising, store labels, designer labels, licensing and off-price retailing. (Latest edition available 1984).

SALES OF MAJOR CLASSIFICATIONS OF CONSUMER GOODS BY RETAIL OUTLET TYPE: Covers sales of grocery products, drugs, apparel, footwear, sporting goods, home furnishings and other product lines by major type of retail outlet. The sales are detailed, and trends analyzed on market shares held by major outlet types based on the latest complete Census of Retail Trade. (Latest edition available 1986.)

THE SPORTS/FITNESS/LEISURE MARKETS: Covers the market for products designed for the active sports participant, as well as athleisure activities and active apparel. Covers growth trends in specific sports and related products, including footwear and apparel, and developments in the fitness market.

SPORTSWEAR, CASUAL WEAR, SEPARATES (WOMEN'S, MISSES' AND JUNIORS'): A statistical view of the products included in this classification at the manufacturing and retailing level. Includes information on production, shipments, foreign trade, a well as estimates on consumer spending and buying patterns and on market trends.

STATISTICAL ANALYSIS OF RETAILING (A Fact File Special Edition): A detailed statistical summary of retail trade in the U.S. based on findings in the 1982 Census of Retail Trade issued in 1985 by the U.S. Census Bureau. Percentage distributions have been calculated for firms and outlet types, including single and multi-unit operations, sales concentration and geographical distribution, with comparisons with 1977 census findings where possible. (Latest edition available 1985).

THE TEXTILE/APPAREL INDUSTRIES: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed.

TOILETRIES, COSMETICS, FRAGRANCES: A detailed view of the U.S. industry covering products for both the female and male markets. Includes latest available industry statitistics, at the manufacturing and retail levels. The quantity and value of manufacturers' shipments, leading manufacturers, advertising expenditures are covered, as well as information on retail sales by product, consumer buying habits and price trends.

WOMEN'S COATS, SUITS, TAILORED CAREER WEAR, RAINWEAR, AND FURS: Data for the domestic industry includes the number of manufacturers, industry concentration levels, trends in employment and earnings, production and value of shipments, including exports. Import trends and impact on U.S. market supply are analyzed. At the retail level, information includes consumer price trends, the size of the potential market and outlook for growth in terms of population by age group and employment trends among women.

WOMEN'S INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices.

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WOMEN'S INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR

Market Trends

In recent years trade information indicated a rather stagnant market in the U.S. for women's daywear/nightwear, with retail sales hovering at the $6-billion level, not including foundation garments. However, with growing emphasis on fashion and life style merchandising, a wider selection of fabrications and fashions, sales picked up. Imports, however, have been a growing factor in this market.

Results in 1988 were uneven due to fashion developments and the general slowdown in spending for women's wear.

The skirt length dilemma in 1987-88 caused problems for slip sales at retail, but foundations and panties did well. Foundation business benefitted from consumers' involvements with fitness and building beautiful bodies. Related items, such as panties, made with stretch fabrics also benefit from this interest. Increased promotion, however, of sophisticated colors and lacy items have translated into growing intimate apparel sales. Sleepwear, however remains a tough business for branded merchandise because of stores' private-label programs.

Panties, girdles and bras were up in dollar volume for the first half of 1988 --with girdles performing best--due to the increased emphasis on body-slimming styles. Nightwear showed slight increases. Daywear dollar volume (slips, pettis, & camisoles) was down about 9% for the first six months of 1988 due to changes in skirt lengths, with robes & loungewear also showing declines, according to data provided by KSA/NPD.

However, prices on panties and girdles were often discounted, with "on-sale" dollar volume up 14%. Robes and loungewear markdowns actually decreased during this period. Imports were up in all categories, especially girdles, panties and daywear, according to consumer purchase data.

Problems that nagged the intimate apparel business in the past year are expected to continue. One of the biggest threats has been the limited availability of raw materials, particularly laces and fabrics. The shortage of Lycra spandex is also of concern to manufacturers. Despite delivery problems, many firms are forced to continue sourcing outside the U.S. for certain fabrics and laces that are not available here.

Department stores are increasing efforts to re-create the ambience of specialty shops such as Victoria's Secret within their innerwear departments. Departments have a romantic, seductive look, with chaise lounges, lacy items, lavish floral arrangements and potpourri. Merchandise presented as a complete product story, such as Natori, has the greatest sales potential in the department store environment. Stores are moving toward better and more fashion-infused merchandise. Several manufacturers are banking on this trend by diversifying into designer labels in order to identify with the prestige market.

Career women, large-size customers, mothers-to-be and aging baby boomers with global lifestyles are providing virtually untapped opportunities for growth in specialized sectors of the intimate apparel market, while the couch potato phenomenon will help sales of leisurewear.

Bustiers, garters and corselettes are a growing category in the lingerie department. These sensuous items used to be strong gift-giving items and sales would increase over Valentines Day, Christmas and Mother's Day, but now sales are strong during the in-between periods. Women are buying these items for themselves and men are buying them as gifts for women.

Innerwear and bodywear are experiencing a crossover. Bodywear buyers are looking to lingerie manufacturers for sporty, bodyshaping items. Olga, Co. is one firm that picked up on this trend with several active looks. Sleepwear and loungewear departments have also been targeting crossover purchases, trying to regain business lost to sportwear and activewear departments.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

A complete census of all manufacturers in the U.S. that have one or more paid employees is compiled every five years by the U.S. Bureau of the Census. Results from the latest (1982), covering operations in the women's and children's innerwear industries, are covered below. In addition, the Census Bureau conducts annual surveys using a sample of manufacturers in order to develop estimates on key measurements of manufacturing activity during intercensal periods. Results for 1985 and 1986 are shown below.

The number of manufacturing establishments in the industry has been declining for many years due primarily to competition from imports. U.S. daywear/nightwear shipments declined to $2.58 billion in 1986 from $2.7 billion in 1985, and were below the 1982 level.

GENERAL INDUSTRY STATISTICS

Women's, Misses', Children's & Infants' Underwear & Nightwear (SIC 2341*)

	1986	1985	1982	% Change 1986/85
Number of companies	na	na	477	--
Number of establishments, total**	501	530	604	- 5.5%
Number with 20 or more employees	357	391	422	- 1.0
Employees, total (thous.)	58.6	59.4	67.8	- 1.3
Production workers (thous.)	51.1	51.7	57.4	- 1.2
Payroll (mil. $)	$ 662.3	$ 658.7	$ 640.8	0.5
Value added by manufacture# (mil. $)	$1,335.9	$1,357.0	$1,350.8	- 1.5
Value of industry shipments## (mil. $)	$2,588.1	$2,715.2	$2,602.4	- 4.7
Capital expenditures, new (mil. $)	$ 29.9	$ 34.8	$ 30.4	- 14.0
New machinery and equipment (mil. $)	$ 22.5	$ 22.5	$ 21.0	-0-

Brassieres, Girdles & Allied Products (SIC 2342*)

	1986	1985	1982	% Change 1986/85
Number of companies	na	na	134	--
Number of establishments, total**	124	137	151	- 9.5%
Number with 20 or more employees	87	86	97	1.2
Employees, total (thous.)	15.2	13.9	13.8	9.4
Production workers (thous.)	11.7	10.9	11.3	7.3
Payroll (mil. $)	$ 193.4	$ 169.5	$ 142.3	14.1
Value added by manufacture# (mil. $)	$ 476.4	$ 402.1	$ 370.8	18.5
Value of industry shipments## (mil. $)	$ 944.7	$ 775.2	$ 720.3	21.9
Capital expenditures, new (mil. $)	$ 8.9	$ 12.3	$ 7.5	- 27.6
New machinery and equipment (mil. $)	$ 6.6	$ 9.0	$ 5.9	- 26.7

Knit Underwear Mills (SIC 2254*)

	1986	1985	1982	% Change 1986/85
Number of companies	na	na	72	--
Number of establishments, total**	66	69	84	- 4.3%
Number with 20 or more employees	58	55	61	5.5
Employees, total (thous.)	22.3	24.0	22.3	- 7.1
Production workers (thous.)	20.5	21.6	20.0	- 5.1
Payroll (mil. $)	$ 301.1	$ 301.8	$ 232.3	- 0.2
Value added by manufacture# (mil. $)	$ 559.8	$ 491.7	$ 446.2	13.9
Value of industry shipments## (mil. $)	$1,277.6	$1,136.2	$ 829.9	12.4
Capital expenditures, new (mil. $)	$ 33.5	$ 22.7	$ 9.3	47.6
New machinery and equipment (mil. $)	$ 24.2	$ 17.0	$ 7.4	42.4

(continued)

GENERAL INDUSTRY STATISTICS

Robes & Dressing Gowns (SIC 2384*)

	1986	1985	1982	% Change 1986/85
Number of companies	na	na	128	--
Number of establishments, total**	92	96	135	- 4.2%
Number with 20 or more employees	57	64	83	- 10.9
Employees, total (thous.)	8.1	8.6	9.3	- 5.8
Production workers (thous.)	6.6	6.9	8.1	- 4.3
Payroll (mil. $)	$ 85.3	$ 83.5	$ 88.0	2.2
Value added by manufacture# (mil. $)	$ 198.7	$ 185.8	$ 193.1	6.9
Value of industry shipments## (mil. $)	$ 422.6	$ 386.8	$ 403.6	9.3
Capital expenditures, new (mil. $)	$ 2.2	$ 2.4	$ 3.9	- 8.3
New machinery and equipment (mil. $)	$ 1.7	$ 2.1	$ 2.6	- 19.0

na not available

* Manufacturing establishments (plants) are classified by industry under the Standard Industrial Classification System (SIC) determined by the principal product made as shown below:

SIC 2341 - This industry comprises establishments primarily engaged in manufacturing women's, misses', children's and infants' underwear and nightwear cut and sewed from purchased woven or knit fabric.
SIC 2342 - This industry comprises establishments primarily engaged in manufacturing brassieres, girdles, corsets, corset accessories, and allied garments (excluding surgical garments).
SIC 2254 - This industry comprises establishments primarily engaged in knitting underwear and nightwear from yarn or in manufacturing underwear and nightwear from knit fabric produced in the same mills. Industry figures include underwear and nightwear for both men and women as well as for children and infants.
SIC 2384 - This industry comprises establishments primarily engaged in manufacturing men's, boy's, women's and girls' robes and dressing gowns.

** Covers manufacturing establishments only, and each location is separately counted. Not included are separate auxiliary locations serving the plants (i.e. administrative offices, purchasing offices, sales promotion offices, etc.). Data on the number of establishments in 1985 and 1986 are from the Census Bureau's County Business Patterns.

# Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished products inventories. It avoids the duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes the best value measure of individual industries.

## Value of industry shipments represents the net selling values, f.o.b. plant, after discounts and allowances, and excluding freight charges and excise taxes. This value inccludes both products described as primary to the industry and secondary products and miscellaneous receipts (including receipts for contract work and resales). (For value of product shipments, only, including shipments by all producers, see PRODUCT SHIPMENTS section.

Source: U.S. Bureau of the Census:
1982 Census of Manufactures
1986, 1985 Annual Survey of Manufactures.

GENERAL INDUSTRY STATISTICS

Employment & Earnings

Labor costs are high in the U.S. compared with major apparel shippers abroad. For example, the manufacturing costs for women's brassieres are cheaper in the Caribbean than in Hong Kong or in the U.S. The cost in the U.S. is $4.17; in Hong Kong it is $3.42 and in the Caribbean it's $2.55, according to the International Trade Commission's 1988 report to Congress. In reaction to the sharp growth in apparel imports, U.S. manufacturers have consolidated operations in the U.S., streamlined and improved their production and marketing procedures in order to cut costs. In addition, deliveries have been sped up to get a competitive edge over imports.

U.S. firms are also making use of "sourcing"--that is, engaging foreign and domestic suppliers outside the firm to furnish some or all components at various stages of the manufacturing process.

Some manufacturers are taking advantage of Section 807 of the Tariff Code, by which a U.S. apparel firm is allowed to cut fabric for the various parts of a garment, ship the parts for assembly to the Caribbean or Mexico, (signers of the Caribbean Basin Initiative), where labor costs are lower, then import the finished garment, paying duty only on the value added abroad. In addition, some large U.S. apparel firms have wholly-owned or jointly-owned overseas plants.

All of these developments have led to a sharp cutback in employment in the U.S. apparel industry. The number of workers in the women's inner fashion industry slid in 1987 as fewer plants were in operation declining steadily for a number of years (see pages 2-3). In 1977, there were 698 plants producing women's & children's underwear and nightwear, while 180 produced brassieres and girdles. By 1986, there were only 501 and 124, respectively. The number of knit underwear mills declined from 92 to 66 over this period.

Weekly earnings of production workers rose moderately in 1987 (+ 5.6%). Average hourly earnings were up 4.2%. From October 1987 to October 1988, production worker's earnings rose again in knit underwear and women's and children's underwear mills, but declined in the brassiere and allied garment industry. Total employment declined in all three industries during that period. (BLS figures on average annual employment differ somewhat from Census Bureau computations due to a difference in methodology.)

Employment & Earnings in Specified Apparel Industries

	October Averages			Annual Averages		
	1988(p)	1987	% Change 1988/87	1987	1986	% Change 1987/86
Knit Underwear Mills: (SIC 2254)						
All employees (thous.)	25.4	25.9	- 1.9	25.8	24.8	+ 4.0%
Production workers (thous.)	21.5	22.0	- 2.3	21.8	20.5	+ 6.3
Average weekly earnings	$257.15	$246.40	+ 4.4	$244.99	$232.07	+ 5.6
Average hourly earnings	$ 6.51	$ 6.16	+ 5.7	$ 5.70	$ 5.55	+ 4.2
Average weekly hour	39.5	40.0	- 1.3	36.2	37.2	+ 1.3

(continued)

GENERAL INDUSTRY STATISTICS

Employment & Earnings (continued)

Employment & Earnings in Specified Apparel Industries
(continued)

	October Averages			Annual Averages		
	1988(p)	1987	% Change 1988/87	1987	1986	% Change 1987/86
Women's & children's underwear: (SIC 2341)						
All employees (thous.)	57.7	60.0	- 3.8	59.3	62.1	- 4.5%
Production workers (thous.)	49.6	51.1	- 2.9	50.5	53.1	- 4.9
Average weekly earnings	$221.48	$210.90	5.0	$202.01	$195.23	3.5
Average hourly earnings	$ 5.65	$ 5.38	5.0	$ 5.33	$ 5.22	2.1
Average weekly hours	39.2	39.2	- 0 -	37.9	37.4	1.3
Women's brassieres & allied garments: (SIC 2342)						
All employees (thous.)	13.0	13.2	- 1.5	13.4	14.5	- 7.6%
Production workers (thous.)	9.2	8.9	3.4	9.4	10.8	-13.0
Average weekly earnings	$232.47	$245.52	- 5.3	$210.50	$204.05	5.2
Average hourly earnings	$ 6.53	$ 6.60	- 1.1	$ 5.88	$ 5.56	5.2
Average weekly hours	35.6	37.2	- 4.3	35.8	36.7	0.3

(p) preliminary

Source: U.S. Bureau of Labor Statistics:
Employment & Earnings

Plant Capacity Utilization

Fourth quarter capacity utilization rates in women's and children's underwear plants dropped from 95% of the preferred level in 1982 to 92% in 1986. In the same span, capacity utilization in the brassieres and allied garments industry dropped from 93% to 74%. For the fourth quarter of 1986, plant capacity utilization in knit underwear mills in the U.S. was 83% of the industry's preferred rate, compared with an operating rate of 100% of the preferred level in the fourth quarter of 1984. (The preferred level is defined as a level, normally between actual operations and practical capacity, at which profits are maximized). The following figures represent the ratio of actual utilization to the preferred level of operations.

Capacity Utilization Rates: Fourth Quarters 1983-1986

	1986	1985	1984	1983
Knit underwear mills	83	79	100	94
Women's, & children's undergarments	92	93	93	95
Brassieres & allied garments	74	nr	69	93
Robes & dressing gowns	nr	nr	nr	79

nr not reported, as data did not meet publication standards

Source: U.S. Bureau of the Census:
Current Industrial Reports, Survey of Plant Capacity, 1986 MC-C1(86)1

GENERAL INDUSTRY STATISTICS

Concentration in the Industry

According to Sales and Marketing Management's latest estimates, a total of 505 plants manufacturing women's and children's underwear had receipts of $2,653.8 million in 1987. Large plants with 100 or more employees represented only 41.4% of total plants in this industry but accounted for 87% of industry shipments.

Large Plants (Employers) and Their Share of Specified Industry Shipments: 1987

		Number of Plants			Est. Shipments	
SIC	Industry	Total	With 100+ Employees	% of Total	Total	% By Large Plants*
2254	Knit Underwear Mills	71	46	64.8%	$ 991.7	95%
2341	Women & Child. Underwear	505	209	41.4	2,653.8	87
2342	Brassieres, girdles & allied garments	128	55	43.0	951.2	90
2384	Robes & dressing gowns	117	33	28.2	395.6	74

* Plants with 100+ employees

Source: Sales & Marketing Management,
"Survey of Industrial Buying Power,"
April 1988. All rights reserved.

In 1982, the 20 largest brassiere producers accounted for 78% of industry shipments and the 50 largest accounted for 94%. For women's and children's underwear and nightwear, the 20 largest firms accounted for 45% of industry shipments - and the 50 largest firms accounted for 66% of shipments.

Share of Value of Industry Shipments Accounted For By the Largest Companies

			Value of Industry Shipments* Percent accounted for by largest companies:			
Industry	No. of Companies	Total (mil. $)	4 largest	8 largest	20 largest	50 largest
Brassieres and allied garments	134	$ 720.3	35%	56%	78%	94%
Women's & children's underwear & nightwear	477	2,602.4	22	31	45	66
Knit underwear mills	72	829.9	46	65	90	99
Robes & dressing gowns	129	403.6	25	42	70	92

* For definition of term, see page 4.

Source: U.S. Bureau of the Census:
1982 Census of Manufactures,
Concentration Ratios in Manufacturing (MC82-S-7)

GENERAL INDUSTRY STATISTICS

Industry Concentration

While the value of industry shipments is concentrated among large plants, many small apparel factories are making specialized products to fill market niches. The Census Bureau's County Business Patterns covers information on the number of plants by employment size in specific industries. Plants with 10 - 49 employees were dominant in the bras and girdles and robes/dressing gown industries, representing 31.5% of all establishments making women's brassieres and girdles, and 41.3% of establishments making robes and dressing gowns. On the other hand, plants with 100-499 employees represented 38.1% of all women's and children's underwear, and 31.8% of all knit underwear mills.

Number of Specified Manufacturing Establishments
By Employment Size, 1986

	Knit Underwear Mills		Women's & Children's Underwear		Brassieres & Girdles		Robes & Dressing Gowns	
	(SIC 2254)		(SIC 2341)		(SIC 2342)		(SIC 2384)	
	Number	%	Number	%	Number	%	Number	%
Total establishments	66	100.0%	501	100.0%	124	100.0%	92	100.0%
Under 10 employees	7	10.6	73	14.6	22	17.7	22	23.9
10 - 49 employees	10	15.2	139	27.7	39	31.5	38	41.3
50 - 99 employees	14	21.2	81	16.2	28	22.6	9	9.8
100 - 499 employees	21	31.8	181	38.1	31	25.0	22	23.9
500 or more employees	14	21.2	17	3.4	4	3.2	1	1.1

Source: U.S. Bureau of the Census:
County Business Patterns, 1986

LEADING MANUFACTURERS

Playtex is losing market share in the estimated $800 million (at wholesale) bra segment of the $1.3 billion intimate-undergarment category. Playtex did about $620 million in total sales in 1987 and over $300 million in worldwide intimate apparel sales in 1987. Although still the leader, its share slipped to 14% or 15% in 1986 from 16% to 17% in 1985. Behind Playtex, running a tight race for number 2, are Bali Co., Maidenform and Warner's. Playtex also is the leading advertiser in the category accounting for about half of media expenditures. While International Playtex has grown from $200 million to $1.2 billion in sales over the past 15 years as the firm diversified into tampons, haircare and other products, ownership changed three times in the four years ending 1986. To appeal to a younger generation of women, the company is adding a new division, Playtex Ltd., which will sell not only basic bras and girdles but also trendy lingerie such as teddies. The new items will be sold from hangers, not boxes, in the better lingerie department of upscale stores, including a French line called Simone Perele. Playtex also markets intimate apparel products under licensing agreements with Gitano and Cacherel.

LEADING MANUFACTURERS

Maidenform, one of the largest privately held intimate apparel companies in the U.S., has discontinued production of sleepwear because branded sleepwear opportunities are limited. (Private label is strong in this area.) The group accounted for less than 3% of Maidenform's total business, estimated at $130 to $150 million.

Jockey International's women's line accounted for approximately 30% of the firms total sales, jumping to an estimated 40% in 1988. Industry sources estimate Jockey's volume at $30 million to $50 million for women's products. The premier, Jockey For Her, collection was introduced in 1982. The company has expanded the number of items available, as well as adding new product lines in bras and pantyhose. Jockey also has a licensing agreement for sleepwear and loungewear with the Lewis Frimel Co. The company has grown as the cotton panty market has increased. In 1975 women's cotton panties accounted for 25% of the market; increasing to 39% in 1984, according to MRCA consumer purchase data. For 1987 the figure was 48%.

Warner, the $140 million Warnaco Division, has been in operation over 120 years, and has an established role as a market leader in foundations, daywear and panties. Sales gains for the division in 1987 were 24%. In addition, they have been tackling specialized segments such as special sizes, full-figure bras in size C, D, DD, and DDD. They have recently developed a line of lacey, feminine bridge-priced coordinated foundations and daywear, named Les Romantique. Warners also had a better-priced Collectables line and designer license, Valentino.

Olga Co., another Warnaco division, had sales of about $80 million in 1987, including daywear, foundations, and sleepwear, under the Olga and Christina labels. Although Olga caters to the more traditional customer, Christina is aimed at a younger, more contemporary woman. The firm has beefed up manufacturing and boosted advertising. A major gift-with-purchase campaign offers a free pair of sunglasses to customers who buy "The Look", the firms newest brand.

Vanity Fair's total sales are $1.5 billion with sleepwear, robes, bras, and daywear accounting for about $200 million of the corporate parents annual sales. The company recently expanded its selection of cottons and romantic sleepwear, particularly with its new bridge collection, Platinum Nights.

NCC Industries, Inc., which manufactures Lilyette, Triumph and Reflections branded foundations and panties and Crescent private label intimate apparel, had sales of $44 million in 1986, the bulk of which was generated from foundations. It's parent company is Triumph International, based in Munich. Another company, Carole Hochman Designs is expected to reach about $50 million in 1988, with the Christian Dior label accounting for approximately 65% of total sales. The company manufactures daywear, sleepwear and loungewear.

With its recent acquisition of Move Star Inc., Sanmark-Stardust has expanded beyond its existing mass market and chain store base. In addition, the firm acquired Schnur and Cohan-a women's daywear manufacturer. As a result, sales are expected to reach $120 million in the year ending June 1988. Its divisions include the Cinema Etoile label, an upscale department store resource, CineStar, a more moderate intimate apparel label; its retail outlets, and a men's shirt operation. 95% of production is domestic. The only consumer advertising was the launch of the Joan Collins lingerie collection in 1987 targeted to mass merchants.

NATIONAL ADVERTISING EXPENDITURES

Leading Advertisers

Total ad dollars spent in 1987 for space in consumer magazine and newspaper supplements on sleepwear were $911,495, double the amount spent in 1986. Expenditures for loungewear advertising in these publications were up 38.5% from 1986 for a total of $494,529. Natori was the major advertiser of loungewear, spending $191,500 in 1987, up 68% from the year before. Lady Marlene was another major loungewear advertiser.

Sara Lee Corp. is by far the leading consumer magazine advertiser of women's inner fashions, spending about $3 million in 1987. According to the Publishers Information Bureau, the bulk of its expenditures were to advertise the Bali brand ($1.7 million), with the balance going towards Hanes Her Way, Isotoner, and Leggs lines. In 1986, Sara Lee spent only $64,000 on this media.

The next leading magazine advertiser during this period was VF Corp., spending about $1.9 million in that media, of which $1.5 million was to promote its Vanity Fair brand of underwear for women. Other major expenditures were by Jockey International ($1.4 million) for its women's underwear line, Warnaco ($978,500) for Olga and Warners lines, Wacoal, a Japanese firm, and Playtex.

The networks have relaxed the restrictions and allowed manufacturers to show live models wearing bras. Previously, TV censors allowed bras in ads only if they were placed on a mannequin or if models wore them over other clothing.

In 1987 Maidenform stirred the industry up with ads showing a close-up of two male movie stars taking about how revealing underwear can be. The objective was to stand out from other lingerie ads. Maidenform, Playtex and Bali all hope bolder advertising will add more excitement to the languid lingerie industry.

The 1982 Enterprise Statistics report, published by the Census Bureau, covered purchased advertising services including space, time production costs, etc., by companies with 500 employees or more. Of the 34 women's & children's companies with 500 employees or more in the industry, 17 firms reported on advertising expenditures. These 17 companies had sales of $742 million in 1982, or 55% of the total volume reported for all companies in the women's and children's underwear industry with 500 or more employees. Advertising purchases of those companies reporting on their expenditures amounted to $18.8 million, representing 2.5% of their sales.

Spending For Purchased Advertising Services by Women's & Children's Apparel Manufacturers with 500 Employees or More: 1982
(Dollar figures in millions)

	Companies in each Classification		Companies Reporting Their Advertising Expenditures (Among Survey Respondents)			
	U.S. Total					
	No.	Sales	No.	Sales	Adver. Expend.	Adver. Expend. % of sales
Women & children's apparel	111	$7,297	44	$4,125	$113.4	2.7%
Undergarments	34	1,358	17	742	18.8	2.5

PRODUCTION

Domestic production as well as value of shipments are reported in the Current Industrial Reports issued by the Census Bureau, developed through mail surveys among all know U.S. manufacturers and jobbers, except very small firms (usually with fewer than five employees). Apparel items assembled overseas, but cut in the U.S. which are then sent back to the U.S. producers under the terms of the 807 Tariff regulation are included in the CIR reports, but not apparel items that are produced entirely abroad.

In the first half of 1988, production of women's innerwear rose 9.7% over the previous year, according to the CIR. (Comparable data for daywear/nightwear is not available.)

Production of Women's Foundation Garments
First Half 1988 Compared with 1987
(Thousands of dozen's)

	First Half 1988	First Half 1987	% Change 1988/87
Foundation Garments, total	10,222	9,314	9.7%
All cotton & chiefly cotton	284	293	- 3.1
All manmade & chiefly manmade	9,532	9,021	5.7
All other fabric	na	na	na
Fabrics, n.s.k.	406	na	na

Source: U.S. Department of Commerce, Bureau of the Census: Current Industrial Reports, Selected Apparel (MQ-23A)

Some major classifications of women's innerwear covered in annual Census Bureau reports registered increases in production in 1987 compared with 1986. Panty production rose 17.1%; union suits, thermal underwear, etc., rose 24%; foundations, 8%. Production was down for slips and for nightwear, however.

Summary of Production of Daywear, Nightwear, Foundations By All U.S. Producers: 1986, 1987
(Thousands of dozens)

	1987	1986	% Change 1987/86
Women's, misses, juniors'			
Daywear, total	47,823	41,834	14.3
Slips, full-length & half	3,809	4,369	- 12.8%
Panties, including pettipants	41,279	35,265	17.1
Union suits, camisoles, thermal underwear, etc.	2,735	2,203	24.2
Nightwear, excluding robes	9,131	10,135	- 9.9
Nightgowns & sleep coats	7,128	7,825	- 8.9
Pajamas, except sets with robes	1,111	1,205	- 7.8
All other nightwear including peignoir & robe sets, separate bedjackets, excluding lounge robes	892	1,106	- 19.4
Robes, dressing gowns, housecoats, etc.	2,352	2,327	1.1
Foundations	20,453	18,914	8.1

Source: U.S. Bureau of the Census: Current Industrial Reports, Apparel MA23A(87)

PRODUCTION

The detailed CIR's includes information on construction (woven vs. knit) and fabric type. The data is developed through a mail survey of all known U.S. manufacturers and jobbers with the exception of very small plants (generally less than five employees). Figures include garments assembled abroad and shipped back to U.S. cutters under the terms of Item 807 of the Tariff Schedule. Also included are garments made in knitting mills.

Reported Types of Women's, Misses' & Juniors' Daywear, Nightwear, & Robes
Percent of Production by Type of Fabric: 1986, 1987

	1987	1986
Slips, full length & half	100.0%	100.0%
All cotton & chiefly cotton	2.2	2.9
All man-made & chiefly man-made	95.1	95.8
All other fabric Fabric, n.s.k.	2.7	1.3
Panties, including pettipants	100.0	100.0
All cotton & chiefly cotton	55.1	43.6
All man-made & chiefly man-made	43.2	55.7
All other fabric Fabric, n.s.k.	1.7	0.7
Union suits, camisoles, thermal underwear, etc.	100.0	100.0
All cotton & chiefly cotton	53.3	38.1
All man-made & chiefly man-made	42.4	52.3
All other fabric Fabric, n.s.k.	4.3	9.6
Nightgowns & sleepcoats, excluding sets with robes	100.0	100.0
All cotton & chiefly cotton	14.8	23.4
All man-made & chiefly man-made	80.7	66.9
All other fabric Fabric, n.s.k.	4.5	9.8
Pajamas, except sets with robes	100.0	100.0
All cotton & chiefly cotton	10.8	20.8
All man-made & chiefly man-made	80.0	73.5
All other fabric Fabric, n.s.k.	9.2	6.1
All other nightwear, incl. sep. bedjackets, peignoir & robe sets, excl. lounge robes	100.0	100.0
All cotton & chiefly cotton	2.8	na
All man-made & chiefly man-made	85.9	85.6
All other fabric Fabric, n.s.k.	11.3	na
Robes, dressing gowns, housecoats, etc.	100.0	100.0
All cotton & chiefly cotton	30.7	21.3
All man-made & chiefly man-made	59.0	52.3
All other fabric Fabric, n.s.k.	10.3	26.3

n.s.k. not specified by kind

Source: (Same as previous table)

Reported Types of Women's, Misses' & Juniors' Innerwear & Nightwear Percent of Production By Construction: 1986, 1987

	1987	1986
Nightgowns & sleepcoats	100.0%	100.0%
Woven fabric	45.0	41.9
Knit fabric	55.0	58.1
Pajamas, except sets with robes	100.0	100.0
Woven fabric	33.6	34.2
Knit fabric	66.4	65.8
Peignoir & robe sets	100.0	100.0
Woven fabric	40.0	40.0
Knit fabric	60.0	60.0
Separate bedjackets	100.0	100.0
Woven fabric	79.5	77.8
Knit fabric	20.5	22.2
Robes, dressing gowns, housecoats, etc.	100.0	100.0
Woven fabric	60.0	60.8
Knit fabric	40.0	39.2

Source: National Cotton Council of America:
"Cotton Counts It's Customers" (1988 Edition)
based on Census Bureau reports.

Materials Consumed in Production

The amount of fiber consumed in U.S. production of women's & children's innerwear and nightwear rose only slightly in 1987 led by a 10% gain in cotton usage. In the last few years, there has been a major industry-wide shift in fabric preference, from nylon to cotton following consumer demand for natural fibers. Cotton usage in robes and nightwear increased over 39%. Total cellulosic fiber consumption was down 76.3% for the year, on a poundage basis.

Materials Consumed in Production (continued)

Consumption of Fibers in the Production of Specified Innerwear, Nightwear: 1985-1987

	Millions of Pounds			% Change
	1987	1986(r)	1985(r)	1987/86
Innerwear & nightwear, bras & foundations, total*	191.1	190.0	189.9	+ 0.6%
Man-made fibers, total	123.7	128.9	136.7	+ 4.0
Cellulosic (rayon & acetate)				
Yarn	1.9	8.0	6.8	-76.3
Non-cellulosic (nylon, polyester, acrylic, olefin)				
Yarn	92.0	94.8	105.2	- 2.9
Staple	29.8	26.1	24.7	+14.2
Cotton	67.2	60.9	52.4	+10.4
Wool	0.2	0.2	0.8	-0-
Robes & loungewear, total**	80.7	91.0	84.9	- 4.9
Man-made fibers, total	61.7	73.8	70.6	-12.6
Cellulosic (rayon & acetate)				
Yarn	19.7	31.2	37.2	-47.0
Non-cellulosic (nylon, polyester, acrylic, olefin)				
Yarn	22.9	23.5	20.3	+12.8
Staple	19.1	19.1	13.1	+45.8
Cotton	16.7	14.9	12.0	+39.2
Wool	2.3	2.3	2.3	-0-

r revised

* Includes full and half-slips, panties, pettipants, camisoles, vests, briefs and thermal underwear as well as nightgowns, sleep & lounging pajamas, sleep coats, peignoir & robe sets with nightgowns or pajamas, negligees and bed-jackets. Also includes bodywear and all children's and infants' underwear & nightwear. Excludes the trim, elastic webbing, apparel lace, braid or narrow fabric used in these products.

Bras and foundations include corsets, girdles, combinations, garter belts, hose supporters, surgical, and maternity foundation garments.

**Includes men's and boys' beach and bath robes, dressing gowns and smoking jackets as well as women's beach and bath robes and housecoats.

Source: Textile Economics Bureau: Textile Organon, September 1988

Seasonality in Production

The third quarter is generally the period in which production is highest except for robes for which 33.2% of the year's production is during the fourth quarter.

Seasonality in Production (continued)

Percent of Year's Cuttings of Innerwear/Nightwear: 1987

		By Quarter			
	Total	First	Second	Third	Fourth
Robes & dressing gowns*	100.0%	19.9%	17.6%	29.3%	33.2%
Pajamas, nightgowns & other nightwear*	100.0	26.2	23.2	26.8	24.3
Underwear, except foundation garments*	100.0	18.8	27.6	27.8	25.8
Foundation garments	100.0	20.6	25.5	27.7	26.2

*Includes men's, women's, boy's, girls' (not infants').

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel 1987 (Quarterly)

PRODUCT SHIPMENTS

In contrast with "industry shipments" previously covered and defined on page 4, the value of product shipments covers the total value of shipments of specified items by all U.S. manufacturing plants, regardless of industry classifications based on primary products.

According to the 1986 Annual Survey of Manufactures, shipments of women's and children's underwear and nightwear totaled $2.4 billion that year, down 2.9% from 1985. These reports are conducted each year between censuses, (the most recent of which covered the year 1982). Compilations of the 1987 census is now underway by the Census Bureau.

Value of Shipments of Women's & Children's Inner Fashions
By All U.S. Producers, 1982, 1985, 1986

	Millions of Dollars			% Change
	1986	1985	1982	1986/85
Women's & children's underwear and nightwear (SIC 2341)	$2,429.4	$2,502.6	$2,356.3	- 2.9%
Underwear	932.5	990.1	831.0	- 5.8
Nightwear	1,116.2	1,110.8	1,127.4	+ 0.5
Commission work on underwear and nightwear	315.4	348.6	314.6	- 9.5
Underwear & nightwear n.s.k.	65.3	53.1	83.3	+23.0
Women's & children's underwear made in knitting mills (SIC 22542)	148.4	136.1	125.3	+ 9.0

(continued)

Value of Shipments of Women's & Children's Inner Fashions By All U.S. Producers, 1982, 1985, 1986

(continued)

	Millions of Dollars			% Change
	1986	1985	1982	1986/85
Women's & children's nightwear made in knitting mills (SIC 22543)	36.5	62.0	61.9	-41.1
Brassieres and allied garments (SIC 2342)	885.4	785.8	666.7	12.7
Brassieres, bralettes and bandeaux	595.0	552.8	450.8	7.6
Corsets, girdles, combinations and accessories	167.4	133.8	159.1	25.1
Commission work on brassieres, corsets and allied garments	76.3	58.7	19.8	30.0
Brassieres, corsets & allied garments n.s.k.	46.7	40.5	37.1	15.3
Robes and dressing gowns except children's (SIC 23840)	445.4	421.2	416.0	5.7

n.s.k. not specified by kind

Source: U.S. Bureau of the Census: 1982 Census of Manufactures, 1986 Annual Survey of Manufactures

More detailed information on the value of product shipments is contained in the Current Industrial Reports, developed through a mail survey of all known U.S. manufacturers and jobbers (except very small plants). Included are garments assembled abroad under the terms of Item 807 of the Tariff Schedule. Shipments of women's, misses', and juniors' innerwear rose 18.3% in Value in 1987. Nightwear shipments dropped 2.8% in value. Shipments of brassieres, rose 9.1%. Shipments of products made in knitting mills are not separately reported, but are included in the table below.

Value of Shipments of Specified Women's, Misses' & Juniors' Inner Fashion Classifications By All U.S. Producers: 1986-1987

(Millions of dollars)

	Millions of Dollars		% Change
	1987	1986	1987/86
INNERWEAR, NIGHTWEAR, ROBES			
Underwear	$ 940.3	$ 794.8	18.3%
Slips, full-length & half-slips	222.8	218.3	2.1
Panties, including pettipants	586.2	476.8	22.9
Union suits, camisoles, thermal underwear, etc.	131.3	99.7	31.7
Nightwear, excluding robes, total	798.9	821.6	- 2.8
Nightgowns, sleepcoats, excluding sets with robes	621.0	608.6	2.0
Pajamas, except sets with robes	80.6	91.1	-11.5
All other nightwear, incl. separate bedjackets, peignoirs, & robe sets	98.2	121.9	-19.4
Robes, dressing gowns, housecoats, etc.	318.3	294.9	7.9

(continued)

Value of Shipments of Specified Women's, Misses' & Juniors' Inner Fashion Classifications By All U.S. Producers: 1986-1987

(Millions of dollars)
(continued)

	Millions of Dollars 1987	Millions of Dollars 1986	% Change 1987/86
FOUNDATIONS#:	1,014.8	937.3	8.3
Brassieres, bralettes, & bandeaux (incl. maternity)	842.8	772.7	9.1
Corsets, including maternity	2.2	1.9	15.8
Girdles	131.2	121.3	8.2
Garter belts	4.2	3.0	40.0
Combinations & 1 piece garments	34.4	38.4	- 10.4

Includes domestic and Puerto Rican shipments.

Source: U.S. Bureau of the Census,
Current Industrial Reports, Apparel MA23A(87)-1

Concentration of Product Shipments

The latest figures on the share of specific product shipments accounted for by the largest companies are for the year 1982, compiled in the complete census of manufactures done every five years. Current figures would undoubtedly show an even greater level of concentration. The total value of shipments and percent accounted for by largest companies are based exclusively on the products primary to this industry.

Share of Specified Women's Innerwear Shipments Held By The Largest U.S. Manufacturers, 1982

	Product Shipments (Mil. $)	% of Value Accounted for by Largest Companies Top 4	Top 8	Top 20	Top 50
Women's, children's & infants' underwear*	$ 832.7	23%	34%	56%	83%
Women's, children's & infants' nightwear*	1,136.0	18	27	49	77
Brassieres, bralettes & bandeaux	450.8	40	62	90	100

(continued)

Concentration of Product Shipments (continued)

Share of Specified Women's Innerwear Shipments Held By The Largest U.S. Manufacturers, 1982
(continued)

	Product Shipments (Mil. $)	% of Value Accounted for by Largest Companies			
		Top 4	Top 8	Top 20	Top 50
Corsets, girdles, combinations & accessories	159.1	39	56	82	99+
Women's & children's knit underwear from fabrics knit in the same establishment	125.3	64	80	98	100
Women's & children's knit nightwear from fabrics knit in the same establishment	61.9	65	90	100	--
Robes & dressing gowns, except children's	416.0	23	38	64	92

* Not including product made in knitting mills.

Source: U.S. Bureau of the Census:
1982 Census of Manufactures:
Concentration Ratios in Manufacturing

Leading States

The 1982 Census provided the latest official information on the value of shipments by manufactuers in each state. New York is a leading source of shipments in all categories.

Value of Shipments By All Producers In Leading States, 1982
(Millions of Dollars)

	Value	% of Total
Women's & children's underwear, U.S. total	$831.0	100.0%
Leading states:		
New York	168.1	20.2
Georgia	88.6	10.7
North Carolina	76.7	9.2
Pennsylvania	74.2	8.9
New Jersey	63.0	7.6

(continued)

PRODUCT SHIPMENTS

Leading States (continued)

Value of Shipments By All Producers In Leading States, 1982
(Millions of Dollars)
(continued)

	Value	% of Total
Women's & children's nightwear, U.S. total	$1,127.4	100.0%
Leading states:		
New York	278.7	24.7
North Carolina	166.8	14.8
Alabama	112.2	10.0
California	78.7	7.0
Pennsylvania	66.0	5.9
Brassieres, bralettes and bandeaux, U.S. total	450.8	100.0%
Leading states:		
Georgia	117.3	26.0
New York	104.8	23.2
Corsets, girdles, combinations, and accessories, U.S. total	159.1	100.0%
Leading states:		
New York	38.1	23.9
Pennsylvania	27.7	17.4

Source: U.S. Bureau of the Census: 1982 Census of Manufactures

PRODUCER PRICE TRENDS

U.S. producer (factory) prices for women's innerwear and nightwear generally rose at a lower rate by the end of 1988 compared with December 1987, than the 3.5% rise averaged for all women's apparel. Producer prices for brassieres had the largest gain as of December (+4.1%). Prices for nightwear were up 1.1% compared with December 1987.

Producer Price Index For Selected Women's Innerwear & Nightwear Items
(1982 = 100)

	Index		% Change		Index
	Dec. 1988	Dec. 1987	Dec. 88/87	Dec. 87/86	Annual Avg. 1987
All commodities	109.0	104.2	4.6	4.4	102.8
All apparel	113.2	109.9	3.0	2.6	108.4
Women's apparel (except slips & panties)	113.3	109.5	3.5	1.6	108.4
Slips, half slips and petticoats	109.2	106.9	2.1	1.3	105.8
Panties	114.7	110.6	3.7	0.3	110.4

(continued)

Producer Price Index For Selected Women's Innerwear & Nightwear Items
(1982 = 100)
(continued)

	Index		% Change		Index
	Dec. 1988	Dec. 1987	Dec. 88/87	Dec. 87/86	Annual Avg 1987
Nightwear	109.2	108.0	1.1	1.2	107.8
Brassieres	117.7	113.1	4.1	5.0	112.2
Girdles, corsets, combinations and accessories	125.3	122.5	2.3	3.2	122.2
Robes, dressing gowns & housecoats	104.4	102.0	2.4	0.2	101.7

Source: U.S. Bureau of Labor Statistics

FOREIGN TRADE

Import Prices

Devaluation of the U.S. dollar did not have an immediate impact on the newly industrialized countries which are major sources of imports for apparel items. However, the currencies of three of the Nation's major trading partners--Singapore, South Korea, and Taiwan--rose 8.8%, 8.8%, and 24.1% respectively, in 1987. Taiwan had both the largest overall trade surplus and the largest currency appreciation vis-a-vis the U.S. of any of the newly industrialized countries.

As of December 1988, the apparel import price index compiled by the U.S. Bureau of Labor Statistics registered a 4.4% gain over the December 1987 index. Import prices for women's, men's & children's woven undergarments were up 3.0%; knitted undergarment prices were up 0.1%. The indexes are based on prices paid by the U.S. importer in U.S. dollars.

Retail price tags on imports have exceeded domestic prices. According to a study of consumer purchases by MRCA (an independent research organization which tracks consumer purchases), the average price paid for women's domestic nightwear was $10.23 in 1987, while the price of imported nightwear averaged $11.75. For women's underwear, the average domestic price was $3.73 while prices on imports averaged $4.35.

Imports

Much of the 1987 growth in the value of apparel imports was a reflection of a sharp rise in prices. Higher prices resulted from: (1) the weak dollar, which raised the cost of imports to U.S. buyers; (2) tighter quotas on imports from some countries, which encouraged suppliers to ship higher value merchandise to maximize profits; and (3) limited availabilities and higher raw material costs for some items.

Imports (continued)

Detailed information on imports in 1987 compared to 1986 by type of fiber are covered in the following table, showing the quantity and value of entries for immediate consumption, withdrawals from warehouses for consumption, and entries of merchandise into U.S. customs territory from U.S. trade zones.

The value of women's and children's underwear and nightwear imports for consumption gained 20.6% in 1987 compared with 1986. Imports of foundations were up 18.0% in value; dressing gowns and robes were up 13.1%. Imports of cotton pajamas on the other hand, dropped 15.4% in value and 23.3% in quantity.

Summary of U.S. Imports for Consumption of Women's & Children's Innerwear & Nightwear: 1986, 1987

	Quantity (Thous. Doz.)		% Change	Value CIF* (Thous. $)		% Change
	1987	1986	87/86	1987	1986	87/86
DAYWEAR/NIGHTWEAR	na	na	na	$736,209	$610,497	20.6%
Foundations	na	na	10.6	273,371	231,744	18.0
Brassieres	15,248.7	13,783.4	- 14.4	234,586	203,505	15.3
Cotton	554.5	647.8	12.0	7,732	12,320	-37.2
Manmade Fibers	14,668.0	13,098.5	- 29.4	225,955	190,114	18.8
Other	26.2	37.1	na	901	1,071	-15.9
Corsets, garters & other body supporting garments	na	na	na	38,785	28,239	37.3
Undergarments	23,531.8	20,721.4	13.6	375,879	294,423	27.7
Woven	3,869.4	3,469.8	11.5	177,632	137,523	29.2
Knit	19,662.4	17,251.6	14.0	198,247	156,900	26.4
Dressing gowns & robes	821.8	738.8	11.2	61,903	54,711	13.1
Cotton	453.1	456.0	- 0.6	40,708	35,181	15.7
Wool or manmade fibers	364.2	266.4	36.7	20,361	16,601	20.6
Silk	4.5	16.4	- 72.6	834	2,929	-71.5
Pajamas						
Cotton (woven)	517.7	675.1	- 23.3	25,056	29,619	-15.4

na not applicable

* C.I.F.: Includes the appraised value (price paid) plus all freight, insurance, and other charges excluding U.S. import duties, incurred in bringing the merchandise to the first port of arrival in the U.S.

Source: U.S. Bureau of the Census:
U.S. General Imports & Imports for Consumption FT 135, December 1986, 1987

Imports (continued)

Imports from the Caribbean Basin also continued their rapid growth. About 78% of these imports consisted of garments assembled in the Caribbean from U.S. fabricated parts and entering the U.S. under provision 807 of the Tariff Code, which allows duties to be applied only to the value added in assembly abroad. Major Asian producers whose growth potential has been limited by tight U.S. quotas have increased investments in these areas, contributing to the growth of non-807 imports from the Caribbean Basin and Mexico.

The largest Caribbean suppliers, the Dominican Republic, Jamaica, Costa Rica, and Haiti, representing 81% of total apparel imports from Caribbean countries in 1987, have entered into the U.S.'s "special access program", known as 807-A. This program guarantees these suppliers and other eligible Caribbean countries greater access to the U.S. market for their products assembled with fabric both produced and cut in the U.S. A similar "special regime" has recently been created with Mexico, the largest supplier of apparel under the 807 provision.

Information on the quantity and value of 807 imports of specified women's wear has been separately reported by the Census Bureau for 1986, but not for 1987 (Apparel, Current Industrial Reports, MA23A(87)). However, 807 pieces are included in exports (which may be overstated). The 807 imports are also included in import data.

Quantity & Value of 807 Imports: 1985, 1986
(Quantity in thousands of dozens; value in millions of dollars)

	1986			1985		
		Value			Value	
	Quantity	U.S. Content*	Total**	Quantity	U.S. Content*	Total**
Women, Girls, Infants						
Underwear	3,792	$31.2	$39.8	2,938	$26.2	$34.3
Pajamas	810	18.1	26.3	534	14.1	20.2
Brassieres, bralettes & bandeaux	9,935	92.9	143.5	10,912	100.0	127.1
Girdles, corsets, comb. & accessories	766	12.5	15.3	1,117	16.7	20.3

Note: 807 apparel is included in domestic output, imports, and exports. For explanation of this import classification, see above discussion.

* Represents the value of U.S. fabricated components.

** C.I.F.: (Cost, insurance, freight) value including the value of U.S. fabricated components and foreign processing.

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel MA23A (87)

FOREIGN TRADE

Imports (continued)

Using a different merchandise classification system (published in Census Bureau report (IM146)), the following data on imports for 1987 and 1986 was reported. Note that import duties are included in the value reported.

Quantity & Value of Imports For Consumption in the U.S.: 1986, 1987
(Quantity in thousands of dozens; value in millions of dollars)

	Quantity			Value *		
	1987	1986	% Change	1987	1986	% Change
Women, girls, infants						
Underwear	19,195	17,215	11.5%	$ 202.8	$ 162.7	24.7%
Pajamas	3,946	3,735	- 5.6	232.5	192.2	21.0
Brassieres, bralettes, bandeaux	15,311	13,798	11.0	298.9	253.6	17.9
Girdles, corsets, comb. & accessories	1,184	1,034	14.5	31.0	25.2	23.0

* The C.I.F. value plus U.S. import duties.

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel MA23A (87)

Exports

Much of any gains in exports have been attributed to the 807 program, and represent garments shipped unassembled to the Caribbean Basin and Mexico, then returned to the U.S. after assembly. U.S. exports have been helped by the cheaper dollar, which makes U.S. goods less expensive in terms of some foreign currencies.

Quantity & Value of Exports of Specified Apparel: 1986, 1987
(Quantity in thousands of dozens; value in millions of dollars at port)

	Quantity			Value (F.A.S.)*		
	1987	1986	% Change	1987	1986	% Change
Women, girls, infants						
Underwear	2,765	1,695	63.1%	$24.3	$19.6	24.0
Pajamas	980	829	18.2	19.4	18.4	5.4
Brassieres, bralettes & bandeaux	8,718	8,507	2.5	94.1	83.5	12.7
Girdles, corsets, comb. & accessories	272	352	- 22.7	8.5	8.2	3.7

*F.A.S: Free alongside ship, Value at the U.S. port of export.

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel MA23A (87)

FOREIGN TRADE

Imports Share of New Supply

According to an analysis of total U.S. market supply of key innerwear/ nightwear classifications, compiled by the U.S. Bureau of the Census, 1987 imports (in terms of quantity) represented 65.2% of total U.S. consumption of brassieres, bralettes, and bandeaux up from 62.1% in 1985. However, in 1987 the value of brassiere imports represented only 28.5% of new supply up slightly from 27.9% three years earlier. Imports' share of underwear in terms of quantity rose from 19.7% to 23.7%, in value from 12.6% to 15.5% from 1985 to 1987.

Apparent Consumption & Imports Share: 1985-1987

Women's, Girls', Infant's Innerwear/Nightwear	Apparent Consumption*			Percent Accounted For By Imports		
	1987	1986	1985	1987	1986	1985
QUANTITY (thous. dozens)						
Underwear	82,374	73,640	78,368	23.7%	23.3%	19.7%
Pajamas	19,256	19,642	20,288	20.5	19.0	14.4
Brassieres, bralettes, bandeaux	23,472	21,094	22,683	65.2	65.4	62.1
Girdles, corsets, comb. & accessories	4,486	3,793	3,977	26.4	27.3	34.9
VALUE (thous. $)						
Underwear	$1,304.9	$1,108.7	$1,133.5	15.5%	14.7%	12.6%
Pajamas	1,337.9	1,290.4	1,351.0	17.4	14.9	11.6
Brassieres, bralettes, bandeaux	1,047.6	942.8	963.8	28.5	26.9	27.9
Girdles, corsets, comb. & accessories	194.5	181.6	214.9	15.9	13.5	14.9

* Apparent consumption represents new domestic supply, and is derived from the sum of U.S. manufacturers' shipments plus imports, less exports.

Source: U.S. Bureau of the Census: Current Industrial Reports

In an analysis by Kurt Salmon Associates the following share of total consumer purchases was attributed to imported merchandise for women (excluding children) in 1987 compared with 1986.

Percent of Unit Purchases of Women's Sportswear Accounted For By Imports: 1986, 1987

	1987	1986
Women's		
Intimate daywear	18%	18%
Bras	56	55
Sleepwear	27	24

Source: The KSA/NPD Purchase Panel, Kurt Salmon Associates, New York, NY

FOREIGN TRADE

Imports by Leading Country of Origin

Asian and Caribbean countries are the major source of U.S. imports of women's daywear and nightwear.

General Imports of Women's & Children's Daywear & Nightwear By Leading Countries of Origin: 1986, 1987

	Percent Accounted For By Each Country			
	Quantity		Value*	
	1987	1986	1987	1986
Brassieres				
Cotton	100.0%	100.0%	100.0%	100.0%
China	39.9	26.0	37.2	19.8
Hong Kong	23.9	17.5	17.7	10.1
Man-made fibers	100.0	100.0	100.0	100.0
Dom. Republic	13.1	12.7	13.5	12.9
Philippines	27.5	27.8	24.0	24.2
Costa Rica	12.1	10.8	12.2	10.9
All other materials	100.0	100.0	100.0	100.0
Barbados	nr	58.9	nr	50.9
Hong Kong	67.6	nr	59.9	nr
Corsets, garters & other body-supporting garments	100.0%	100.0%	100.0%	100.0%
Mexico	26.5	26.8	21.2	22.4
Haiti	14.6	18.4	8.3	9.7
Jamaica	7.6	6.9	7.4	8.9
Leeward and Windward Islands	9.6	11.1	6.3	7.1
Undergarments, nspf, of textile materials				
Not knit	100.0%	100.0%	100.0%	100.0%
Philippines	9.8	9.4	11.5	10.2
Hong Kong	19.8	26.8	21.7	26.6
Taiwan	6.8	7.2	8.4	8.9
China Mainland	18.3	15.5	22.4	15.9
Knit	100.0	100.0	100.0	100.0
Hong Kong	39.1	39.7	31.9	28.3
China	13.3	17.5	12.7	12.6
Pajamas, cotton, not knit	100.0%	100.0%	100.0%	100.0%
Hong Kong	58.5	55.1	58.1	55.6
Haiti	11.1	13.4	8.3	11.1

(continued)

Imports by Leading County or Origin (continued)

General Imports of Women's & Children's Daywear & Nightwear By Leading Countries of Origin: 1986, 1987
(continued)

	Percent Accounted For By Each Country			
	Quantity		Value*	
	1987	1986	1987	1986
Dressing gowns & robes not knit				
Cotton	100.0%	100.0%	100.0%	100.0%
Brazil	9.0	7.7	14.0	13.2
Hong Kong	20.5	21.2	15.2	15.0
China (mainland)	15.3	8.0	15.5	11.4
Wool or man-made fiber	100.0	100.0	100.0	100.0
Hong Kong	31.3	50.2	20.9	41.7
China (mainland)	18.5	13.2	27.8	12.2
Silk	100.0	100.0	100.0	100.0
Hong Kong	15.8	44.2	19.5	49.8
China (mainland)	33.3	30.3	23.0	26.5

nr not reported
nspf not specifically provided for (not classified).

* The C.I.F. (cost, insurance, freight) value is based upon the purchase price and includes all freight, insurance and other charges (excluding U.S. import duties incurred in bringing the merchandise from the country of exportation and generally placing it alongside the carrier at the first port of entry in the U.S.

Source: U.S. Bureau of the Census:
U.S. General Imports FT 135,
December 1986, 1987

AT THE RETAIL LEVEL

THE POTENTIAL MARKET

A large number of baby boomers are now reaching their late 30's. Women in this age group are at a point in their careers where earnings have increased significantly, and this is expected to have a favorable impact on upscale apparel, including innerwear. Changing needs by size are also indicated.

The number of women in the 35-54 age bracket will climb 23% by 1995. Women 20-34 represent the largest segment of the adult female population in 1988, but they will be surpassed by the 35-54 year olds, who will represent 27.9% of all females in 1995, and 29.2% in 2005. The median age will increase from 33 and a half in 1988 to over 39 in 2005. In contrast, the number of 16-19 year olds will decline 9% and the 20-34 age group will drop 8.5% in number by 1995.

Estimated Female Population of the U.S. 1988 & Projections 1995*, 2005*
(Numbers in thousands, including Armed Forces overseas)

	1988	1995	2005	% Change 1995/88	Percent Distribution 1988	1995	2005
Total all ages	125,911	133,191	141,381	5.7%	100.0%	100.0%	100.0%
Under 16 years	27,574	29,481	28,365	6.9	21.9	22.1	20.1
16 years & older	98,337	103,710	113,016	5.5	78.1	77.9	79.9
16-19 years	7,161	6,517	7,708	- 9.0	5.7	4.9	5.5
20-34 years	31,141	28,497	26,497	- 8.5	24.7	21.4	18.9
35-54 years	30,236	37,190	41,249	23.0	24.0	27.9	29.2
55-64 years	11,469	11,059	15,399	- 3.6	9.1	8.3	10.9
65 & over	18,330	20,447	21,954	11.6	14.6	15.3	15.5
Median age	33.6	35.9	39.2	+ 6.8	--	--	--

* Middle of a series of three projections, each based on alternative assumptions as to future fertility, and net immigration levels. (Totals may not add to 100% due to rounding.)

Source: U.S. Bureau of the Census: Current Population Reports, P-25, No. 952

Large Sizes

Today's large-size customers are being romanced by manufacturers of intimate apparel with feminine, fashion-forward lines that have the same stylish appeal as regular sizes.

Several new large-size lingerie manufacturers have entered the business, while established makers have expanded their lingerie lines to include large sizes, as they see a gap in the marketplace that holds strong growth potential. The large size customer is very loyal, and a customer who wants innovative colors, styles and fashion. Industry executives say that it took a long time for ready-to-wear manufacturers to develop fashionable outerwear for larger women, and it will also take time for large-size intimate apparel. Many department stores offer intimate apparel for large sizes only during the holiday season.

Large Sizes (continued)

At present, the KSA/NPD panel (a purchase tracking service) indicates that the entire large-size apparel market (including sportswear, dresses, etc.) represents an annual sales volume of approximately $7.5 billion at retail, almost 15% of total women's wear. Unit purchases of women's apparel in the 16-and-over size range have grown by 32% since 1982, compared with only 7% for purchases of all female apparel products.

In terms of retail distribution outlets, specialty stores are the leading channel and are much more important than the next strongest channels--national chain and department stores (when weighted according to their share of total women's apparel sales).

Whereas 45% of all women's apparel is purchased by customers over 45 years of age, 56% of all large-sized garments are bought by that age group.

Working Women

The labor force participation rate of women ages 25 to 54, at 70.8% in 1986, is projected to reach 80.8% by 2000. In the year 2000 activity rates are expected to rise steadily from the teen years to a peak in the 35 to 44 age group, then to decline in the 45 to 54 age group before dropping off sharply for those 55 and over. This is similar to the male pattern of participation.

The intimate apparel market should benefit from the expected growth of 83.5% in the number of working women aged 45 to 54 years and an increase of 51.1% in the 35 to 44 age group by 2000.

Money Income of Women

The median income for women in 1987 was $8,101 (including those working only part-time). Year-round full-time working women had a median income of $17,504. Women in families with the spouse present made $11,323 versus $9,976 for those with the spouse absent. Women in professional specialty positions earned a median income of $19,643 while female executive administrators and managers earned a median income of $19,134. Women with 5 years or more of college had median incomes of $22,277.

Considering own money income from all sources, the 35-44 age group had the highest median for women in 1987 of $11,969. The greatest number of women with incomes over $30,000 were 35-44 years of age--the earliest of the baby boom crop (1949-1964).

Money Income of Women (continued)

Total Money Income of Women By Age Group, 1987

(Numbers in thousands)

	Total	15-19	20-24	25-34	35-44	45-54	55-64	65 & Over
Total	98,168	8,907	9,586	21,649	17,606	12,275	11,456	16,691
With income	89,279	5,966	8,710	20,092	16,423	11,151	10,469	16,467
Under $10,000	50,498	5,655	5,721	9,193	7,152	5,080	6,193	11,501
$10,000-$19,999	22,783	271	2,401	6,474	4,495	3,108	2,551	3,484
$20,000-$29,999	10,089	29	497	3,031	2,804	1,772	1,047	909
$30,000 & over	5,909	11	91	1,394	1,972	1,191	678	573
Median income	$ 8,101	$1,877	$6,895	$11,049	$11,969	$11,219	$ 7,445	$6,734
Mean income	$11,435	$2,965	$8,406	$12,746	$14,768	$14,127	$11,139	$9,547

Percent Distribution of Women By Total Money Income and Age Group, 1987

	Total	15-19	20-24	25-34	35-44	45-54	55-64	65 & Over
Total								
With income	90.9%	67.0%	90.9%	92.8%	93.3%	90.8%	91.4%	98.7%
percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under $10,000	56.6	94.8	65.7	45.8	43.5	45.6	59.2	69.8
$10,000-$19,999	25.5	4.5	27.6	32.2	27.4	27.9	24.4	21.2
$20,000-$29,999	11.3	0.5	5.7	15.1	17.1	15.9	10.0	5.5
$30,000 & over	6.6	0.2	1.0	6.9	12.0	10.7	6.5	3.5

Source: U.S. Bureau of the Census: Current Population Reports
(Series P-60, No. 161)

Specialized Markets: Bridal Wear

Modern Bride magazine has compiled estimates on the share of total sales of innerwear accounted for by the bridal market, including both gifts and items purchased by the newlyweds. It reports that bridal market sales of intimate apparel or lingerie was $49.1 million in 1984, representing 1.4% of total retail sales. Bridal market sales of sleepwear that year was $44.7 million, 2.1% of all sleepwear sales.

Specialized Markets: Bridal Wear (continued)

In 1988 a total of 2,386,000 marriages were performed, 1.4% below the 1987 total reported by the National Center for Health Statistics. Marriages are not keeping pace with population growth and the 1988 rate is the lowest marriage rate since 1977.

The number of marriages are fairly evenly distributed throughout the year. June is still the most popular wedding month but just barely. It beats out August, which is followed by July, September and May. The slowest times of the year are the cold winter months, January and February.

Specialized Markets: Maternity Wear

In 1988, there were an estimated 3.9 million live births in the U.S., up 2.6% from 1987. The birth rate per 1,000 population was 16.0% per 1,000 population in the first 11 months of 1987, up from 15.8% in 1987. The monthly pattern in births peaked in the July-September period. (NOTE: Further details on births and demographics are covered in (The) CONSUMER MARKET DEVELOPMENTS FACT FILE-1988.)

The current "echo" of the 1946-1964 baby boom, however slight, is expected to crest in 1988. We are still in a period of low fertility with the average American woman having only 1.9 children down from 3.6 in 1960. Only one out of every 14 women of child-bearing age will have a baby this year, and the maternity market represents only 1.5% of the population.

On the other hand 38.6% of babies born in the year ending June 1987 were first-borns, requiring mothers to obtain maternity clothes for the first time. The average American woman spends $500 to $750 on maternity clothes and the potential market is estimated at about $1 billion.

Dozens of retail maternity chains have also sprung up in the last five years, with an estimated 2,300 specialty stores and 12 direct mail catalogues. Many maternity experts foresee a shakeup as the rapidly-expanding maternity industry overtakes the slow moving birth rate. The major chains are the 315 unit Motherhood company and 220 unit Mothercare Stores, Inc. About half of Mothercare's U.S. sales come from infants and toddlers merchandise, however.

Consumer prices for women's underwear, nightwear and hosiery rose 5.8% on average in December 1988, compared with December 1987. Average prices for all women's apparel rose only 2.9%. Annual data for 1987 showed a 1.0% rise in women's underwear, nightwear and hosiery prices from 1986 totals. This increase was less than those for all apparel and all women's/girls' apparel for the period.

CONSUMER PRICE TRENDS

Consumer Price Indexes for Women's Inner Fashions December 1988, Annual Average, 1986, 1987
(1982-84 = 100)

	December Index		Annual Average		
	1988	% Change 1988/87*	1987	1986	% Change 1987/86
All items	120.5	4.4%	113.6	109.6	3.6%
Apparel (not including footwear)	116.8	4.6	109.6	104.7	4.7
Women's apparel	116.3	2.9	110.9	104.4	6.2
Women's underwear, nightwear, hosiery and accessories	114.3	5.8	107.5	106.4	1.0

Source: U.S. Department of Labor,
Bureau of Labor Statistics

CONSUMER EXPENDITURES

In order to collect a continuous flow of information on purchases by American consumers to be used in periodic revisions of the Consumer Price Index base, an on-going survey of a representative sample of consumers is conducted by the Census Bureau for the Bureau of Labor Statistics.

The Bureau of Economic Analysis, Department of Commerce, on the other hand, compiles figures on total personal consumption expenditures by major product classification. Drawing on the pattern in spending for specific types of women's wear reported by the BLS, and applying this formula plus trade data to BEA based spending totals results in the following estimates of expenditures for specific types of women's innerwear. This covers the value at retail of merchandise reaching the consumer, including non-retail channels as well as retail outlets.

Estimated Personal Consumption Expenditures: 1987

	Billions of dollars	Percent
Women's wear expenditures, total	$ 78.7	100.0%
Specified innerwear/nightwear, total	8.2	10.4
Daywear & foundations	5.0	6.3
Nightwear, loungewear and robes	3.2	4.1

Source: Estimates based on Bureau of Economic Analysis
and Bureau of Labor Statistics Reports; trade sources.

CONSUMER EXPENDITURES

The most recent BLS Consumer Expenditure Survey included information on the average percent of households in the U.S. who purchased one or more of the specified women's wear items in any quarter of 1986, and the average amount spent per quarter.

Quarterly Average Expenditures Per U.S. Households For Specified Women's Innerwear/Nightwear: 1986

	Quarterly Average	
	% of Households Purchasing	Amount Spent
Apparel for women		
age 16 & over, total	59.0%	$168
Daywear and foundations	17.6	27
Nightwear, loungewear, robes	10.4	34

Source: U.S. Bureau of Labor Statistics: 1986 Consumer Expenditure Survey

BLS findings on the pattern in household spending by income group and by region are summarized in the following tables. Although consumer units (households) earning $40,000 or more represent less than 20% of the U.S. total, nearly 36% of all innerwear and 37.6% of all nightwear is purchased by this group, according to the BLS.

Percent Distribution of Expenditures for Women's Innerwear/Nightwear By Income Before Taxes, 1986

	% of Consumer Units By Income	% Purchased By Income Group	
		Daywear/Foundations	Nightwear/ Loungewear/Robes
Total	100.0%	100.0%	100.0%
$40,000 & Up	19.9	35.8	37.6
$30,000 - $39,999	12.6	13.3	16.6
$20,000 - $29,999	16.7	15.2	15.7
$15,000 - $19,999	10.2	10.2	7.8
$10,000 - $14,999	12.5	8.7	8.2
$ 5,000 - $ 9,999	15.9	9.9	8.7
Less than $5,000	12.3	6.9	5.5

Households in the Northeast and West account for a disproportionate share of expenditures on underwear and innerwear in relation to household counts. However, the largest percentage of spending on innerwear/nightwear was in the South.

CONSUMER EXPENDITURES

Percent Distribution of Expenditures for Women's Innerwear/Nightwear By Region, 1986

	% of Consumer Units	Daywear/Foundations	Nightwear/ Loungewear/Robes
Total	100.0%	100.0%	100.0%
Northeast	21.2	22.5	24.3
Midwest	25.2	23.0	24.7
South	34.0	31.7	30.6
West	19.6	22.8	20.4

Source: U.S. Bureau of Labor Statistics: 1986 Consumer Expenditure Surveys

RETAIL SALES BY STORE TYPE

The latest official information on retail sales of specific types of merchandise, developed by the Census Bureau in the complete census of retail trade reporting results in 1982, has been covered in earlier editions of this Fact File. The Census Bureau is now compiling results of the 1987 Census of Retail Trade, and preliminary findings should be available late in 1989.

Other than the census which measures sales as reported by retail stores, independent research organizations such as NPD (formerly National Panel Diaries) and MRCA (formerly Market Research Corporation of America) provide information to clients on purchases of merchandise by outlet type, price, etc., based on tracking studies conducted among representative panels of U.S. households. Selected information from these sources will be found in the section on CONSUMER PURCHASE PATTERNS.

Department Stores

Total sales in department stores, (including leased departments) increased from $107.2 billion in 1982 to $159.4 billion in 1988, according to the Census Bureau. The number of department stores in operation in the U.S. totaled 10,294 in 1986, a 3% increase from 1982. Discount department stores have gained market share in the last 5 years, accounting for 47% of department stores total volume in 1988, up from 37.3% in 1982. National chains (Sears, Wards, Penney) accounted for 28% of total volume in 1982, declining to 22% in 1988. Conventional department stores comprised the remaining 31% in 1988, down from 34.7% six years earlier.

Total discount department store sales rose 10.5% in 1988, according to the Census Bureau. This compares with a 3.3% decline in total sales of national chain department stores, and a 3.7% rise in sales of conventional department stores.

According to the latest government source on merchandise line sales by outlet type, the 1982 Census of Retail Trade, department stores (including discount stores) accounted for the majority of foundation sales (60.0%) and lingerie, sleepwear and nightwear sales (63.1%). Sales of foundations (bras, girdles, & corsets) in department stores were $1.18 billion, representing 6.2% of total store sales. Sales of lingerie, sleepwear and loungewear were $2 billion, representing 10.5% of total store sales.

Department Stores (continued)

Annual merchandising and operating results in department stores are compiled by the National Retail Merchants Association based on reports from member companies. Sales of women's and misses' innerwear increased a median 5.0% in 1987 and nightwear was up a median 5.9%.

Typical Women's Inner Fashion Merchandising Results in Department Stores With Total Volume Over $2 Million
(Median Results)

	Total Intimate Apparel	Intimate Daywear	Intimate Nightwear	Robes & Loungewear
Number of firms reporting	61	61	57	57
Net sales, % change from last year	+ 5.0%	+ 5.0%	+ 5.9%	+ 5.0%
Sales, % to total store sales	5.7	2.8	1.3	0.7
$ sales per square foot of selling space	$118.0	$115.0	$116.0	$ 99.0
Cumulative markon, %	53.3%	53.0%	53.7%	53.5%
Gross margin, % of sales (incl. cash discounts)	49.7	50.8	48.3	46.5
Advertising, % of net sales	2.8	2.7	2.7	3.1
Selling salaries, % of net sales	8.0	8.3	7.4	7.5
Number of stock turns (times)	2.7	2.3	3.5	3.7
Markdown, retail, % of sales	14.4	11.5	19.7	24.3

Source: National Retail Merchants Association,
Merchandising & Operating Results 1988 Edition

Specialty Stores

According to the 1982 Census of Retail Trade, sales of bras, girdles and corsets in women's wear stores with payroll amounted to $ 384.7 million, representing 2.1% of total store sales. In family clothing stores, sales of women's foundations amounted to $ 281.4 million, representing almost 5.0% of total store sales. (Leased departments in other store types are counted as specialty stores in the pertinent classification).

Sales of women's lingerie, sleepwear, and loungewear in ready to wear stores accounted for $673.8 million in 1982, representing 3.6% of total store sales. In family clothing stores, sales of women's lingerie, sleepwear and loungewear amounted to $368.3 million or 6.5% of total store sales. Foundations represented 7.4% of sales in women's accessory and specialty stores while lingerie, sleepwear & loungewear accounted for 8.3%.

In the latest count on the number of women's ready to wear stores showed a total of 45,125 in operation in 1986, compared with 44,163 in 1982, according to the Census Bureau. Total sales in 1988 amounted to $29.6 billion, up 63% over the 1982 total.

Specialty Stores (continued)

The National Retail Merchants Association reported that sales of women's and misses' innerwear registered median increases of only 1.0% in specialty stores in 1987. Nightwear sales rose a median 3.8% while robes and loungewear declined 1.8%.

Typical Women's Inner Fashion Merchandising Results in Specialty Stores
With Total Volume Over $1 Million
(Median Results)

	Total Intimate Apparel	Intimate Daywear	Nightwear	Robes & Loungewear
Number of firms reporting	13	10	9	9
Net sales, % change from last year	+ 1.0%	+ 2.2%	+ 3.8%	- 1.8%
Sales, % to total store sales	6.5	3.3	3.1	0.8
$ sales per square foot of selling space	na	na	na	na
Cumulative markon, %	53.1%	53.3%	53.5%	52.7%
Gross margin, % of sales (incl. cash discounts)	47.6	49.4	48.2	44.5
Number of stock turns (times)	2.3	1.8	3.2	3.6
Markdown, retail, % of sales	16.4	12.4	15.6	23.9

na not available

Source: National Retail Merchants Association,
Merchandising & Operating Results, 1988 Edition

Victoria's Secret, the largest and best known intimate apparel retailer and mail order firm does over $300 million in sales, up from $5 million when The Limited acquired it in 1982. Sales were up 39% in 1987 over the prior year. Late in 1986, the firm opened a flagship branch in New York City, and now has 236 locations. Fashion forward merchandise that is affordable and styled for mass appeal as well as heavily staffed stores are two key ingredients used to achieve this growth. Victoria's Secret has managed to sell intimate apparel 12 months a year, not just during the three promotional seasons. About 80% of their merchandise is private label. Although tricot knit is the backbone fabric in the innerwear industry, only items made of woven fabrics are sold in the firms' outlets.

Another specialty retailer is Fredericks of Hollywood, with sales of $58 million in fiscal 1987. Fredericks has 148 stores in 33 states, and its catalogue business accounts for 29% of sales. The chain does $300 per square foot. The company has been revamped and is focusing on a more conservative customer than before. It also owns the Private Moments chain.

RETAIL ADVERTISING

Newspaper advertising for bras and girdles is highest in March and December, and lowest in January and July, according to data compiled by the Advertising Checking Bureau. The most advertising linage for lingerie, sleepwear and robes is run in May, November and December, with December the leading month by far (22.2% of the annual total).

Percent of Total Newspaper Advertising Linage
Done By Month, 1986

	Total	Jan.	Feb.	Mar.	Apr.	May	June
Bras & Girdles	100.0%	5.2	6.3	10.6	9.4	8.9	9.5
Lingerie, Sleepwear & Robes	100.0%	3.3	6.2	5.8	8.1	12.9	5.1

	July	Aug.	Sept.	Oct.	Nov.	Dec.
Bras & Girdles	5.1	7.6	9.6	8.3	7.4	12.1
Lingerie, Sleepwear & Robes	4.1	5.6	6.3	7.1	13.3	22.2

Source: The Advertising Checking Bureau, 1986

RETAIL TRENDS

Private Label

Stores are taking a stronger position in private label, in order to generate a quality product in their own fashion colors and styles. As branded merchandise is increasingly sold in numerous other outlets and at a discount by off-price retailers, private label gives the store opportunities to have a distinctive image. Improving gross profit margins and maintaining competitive prices through control of the timing of markdowns and sales are also a dominant reasons for private label programs. Rising costs of imports and quota problems are expected to boost domestic manufacturing of private labels.

According to a study using KSA/NPD consumer purchase panels, private label purchases declined 2% in units but rose 13% in dollars. While purchases of private label sleepwear in the top 100 department stores increased (up 41% in units and 76% in dollars) purchases of these items in specialty stores declined (down 32% in units and 7% in dollars). Purchases of private label sleepwear in national chains declined 12% in units and were up only 1% in dollars.

Licensing

In 1987, licensed apparel and accessories grew by half a billion dollars from the previous year, according to the Licensing Letter. Manufacturers this year have been inking deals to use a variety of established designer names or corporate logos, a strategy that will hopefully give them a needed edge when it comes to gaining recognition among brand names or in fighting retailers private label brands. For example, Playtex markets intimate apparel under licensing agreements with Gitano, Cacharel and Simone Perele.

CONSUMER PURCHASE PATTERNS

By Product

Based on purchase tracking studies projected to the total market, the following information on purchases of innerwear and nightwear for women aged 14 years and older for the years 1987 and 1986 has been supplied by the KSA/NPD Purchase Panel, a joint venture of Kurt Salmon Associates and the NPD Group. The panel consists of 11,500 households reporting monthly on their purchases of apparel.

The two best performing categories in 1987 were daywear, up 11.1% in dollars to $697,200 and up 3.6% in units, and nightwear, which was up 9.4% in dollars, but only 5.9% in units. Robes and loungewear declined 11.8% to $747,300 declining 7.0% in units. Girdles were down 6.2% to $258,100, slipping 4.9% in units.

Purchases of Women's Innerwear and Nightwear/ Robes/Loungewear

	Units (Mil.)			Dollars (Mil.)		
	1987	1986	% Change 1987/86	1987	1986	% Change 1987/86
Total Innerwear/ Foundations	834.4	817.8	2.0%	3,257.4	3,157.3	3.1%
Daywear*	83.1	80.2	3.6	697.2	626.6	11.1
Panties	525.6	511.5	2.8	934.8	914.2	2.3
Girdles**	28.9	30.4	- 4.9	258.1	275.2	- 6.2
Bras	196.8	195.7	0.6	1,367.3	1,341.3	1.9
Total Nightwear/ Robes/Loungewear	189.2	184.7	2.4	2,299.1	2,266.2	1.5
Nightwear***	142.8	134.8	5.9	1,551.8	1,419.1	9.4
Robes/loungewear	46.4	49.9	- 7.0	747.3	847.1	-11.8

* Including slips, undershirts, camisoles & teddies
** Including girdles and all other support garments
*** Including pajamas, nightgowns, and negligees

Source: Kurt Salmon Associates/NPD Purchase Panel

In the first nine months of 1988, this source reported unit purchase of innerwear (daywear) were down 2%, purchases of nightwear about even, bra purchases down 4%, compared with the totals estimated for the same 1987 period. In this same span, it was estimated that overall purchases of women's wear (units) were off 8%.

By Product: Daywear

Panties are the mainstay of this department, but fashion items, such as bustiers, garters and corselettes, are a growing category in the lingerie department. These sensuous items used to be primary gift-giving items and sales would increase over Valentines Day, Christmas and Mother's Day, but now sales are strong during the in-between periods. Women are buying these items for themselves and men are buying them as gifts for women.

By Product: Daywear (continued)

Camisoles and bustiers are being used as a finishing touch for a suit or pants. Sensing a key ready-to-wear look for Spring 1989, manufacturers are turning out camisole styles with a full, often tailored cut that gives more coverage, with square necklines and a wide range of darker colors, so the camisoles are not too sheer. For evening, velvet, silk and brocade bustier styles are going forward.

However, the total daywear category, which represents about 12.4% of the total intimate apparel business, continues to be a problem, partly because the full-slip business (in unit purchases) has been falling since 1984.

By Product: Foundations

Manufacturers and retailers are trying to get consumers to spend more on foundations by offering a greater choice of bra styles including t-backs, strapless and backless models, and functional bras, to increase purchases beyond the average 3.4 bras currently bought per year per customer.

In addition, some retailers are offering fitting clinics. Retail sales of bras, which represent just under a quarter of the total intimate apparel business, increased 16.9% between 1980 and 1987, but declined 2.1% between 1985 and 1987. However, the market increased slightly by 1.9% in 1986-1987.

Although sales of bras in department and specialty stores represented 45.2% of the total market, sales have been flat or declining in these outlets. However, sales in discount stores increased 58% between 1980 and 1987. Mail order, although representing only 4% of the market in bras increased 32.6% for the seven years, 1980 to 1987, and almost doubled from 1985 through 1987. Mail order was also the outlet which showed the greatest increase in sales from 1986 to 1987.

By Product: Loungewear

Innerwear manufacturers are capitalizing on the demand for at-home wear by giving it a more sophisticated sportswear flair than in the past. Retail and lingerie executives are still somewhat unsure what to call these groups or exactly where to merchandise them in the store. To be successful, they must distinguish their offerings from ready-to-wear.

Loungewear is also pushing more into the eveningwear territory. These silhouettes are typically a variation on the evening looks that a woman might find in the ready-to-wear department but at a lower price. Manufacturers agree that these looks make up only a small portion of their loungewear collections--between 5% and 15% of most lines--but they do spark interest.

CONSUMER PURCHASE PATTERNS

By Product: Robes

While the daywear & sleepwear departments have gone through a renaissance, in-store robe presentations leave a lot to be desired. Also there are less open-to-buy dollars available. Robe departments sales are down 10% for 1988, according to industry executives. Private label programs and the long lead times of off-shore manufacturing are blamed. However, robes are showing up and selling in other areas, such as sleepwear, swimwear, bodywear, and in at-home departments. There is increasing interest in novelty fabrics and quality construction suitable for these additional markets.

By Store Type

Recent merger and acquisition activities among retailers is affecting the buying and merchandising of apparel, and new patterns are emerging. According to MRCA, discounters, off-price outlets and specialty stores each increased their dollar sales of apparel by about 8% during the first quarter of 1988, while department stores were flat. Mail order has been showing increased strength as a distribution channel, rising from 3.2% of women's apparel sales in 1985 to 4.2% in 1987, according to KSA/NPD.

Discount stores remain the leading outlet for unit purchases of women's innerwear and nightwear, but in dollars mass merchandisers and department stores have slightly higher shares, according to purchase panel results.

Purchases of Women's Innerwear and Nightwear By Outlet
Percent of Units, 1986, 1987

	Panties		Bras		Daywear	
	1987	1986	1987	1986	1987	1986
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Department Stores	16.9	18.3	22.4	22.8	25.9	25.3
Mass Merchandisers*	19.7	21.2	26.2	23.5	19.6	20.3
Discount Stores**	40.6	37.2	34.0	34.6	23.7	25.1
Specialty Stores	4.7	5.5	6.3	6.6	11.7	11.1
All Other Outlets	18.1	17.8	11.1	12.5	19.1	18.2

	Girdles		Nightwear		Loungewear	
	1987	1986	1987	1986	1987	1986
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Department Stores	21.5	23.1	22.6	23.3	21.8	26.3
Mass Merchandisers*	28.7	24.3	23.1	20.3	25.7	22.9
Discount Stores**	23.9	26.3	30.5	33.3	26.5	28.1
Specialty Stores	12.8	9.9	8.6	9.1	7.3	9.4
All Other Outlets	13.1	16.4	15.2	14.0	18.7	13.3

* Includes Sears/Penney/Ward
** Includes K-Mart

Source: KSA/NPD Purchase Panel

CONSUMER PURCHASE PATTERNS

By Store Type (continued)

Purchases of Women's Innerwear and Nightwear By Outlet
Percent of Dollars, 1986, 1987

	Panties		Bras		Daywear	
	1987	1986	1987	1986	1987	1986
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Department Stores	24.8	25.5	32.7	33.5	31.6	31.4
Mass Merchandisers*	20.6	21.7	27.5	24.2	20.1	22.5
Discount Stores**	31.7	29.1	20.4	20.7	15.4	15.9
Specialty Stores	6.3	6.8	8.3	9.8	14.9	13.3
All Other Outlets	16.6	16.9	11.1	11.8	18.0	16.9

	Girdles		Nightwear		Loungewear	
	1987	1986	1987	1986	1987	1986
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Department Stores	28.3	30.9	29.2	30.1	29.7	32.4
Mass Merchandisers*	34.1	27.9	22.5	20.3	25.0	22.6
Discount Stores**	11.2	14.2	20.6	23.2	20.1	20.2
Specialty Stores	17.4	15.8	11.4	11.9	7.7	11.7
All Other Outlets	9.0	11.2	16.3	14.5	17.5	13.1

* Includes Sears/Penney/Ward
** Includes K-Mart

Source: KSA/NPD Purchase Panel

By Price Paid

In 1987, more units were purchased in the highest price ranges, for both. For example, although 15.7% of sports shirts purchased in 1986 were priced at $20 to $29.99, 19.1% cost that much in 1987.

Purchases of Women's Innerwear and Nightwear By Price Paid
Percent of Units, 1986, 1987

	Year	Total	Less Than $1.00	$1.00- $1.49	$1.50- $1.99	$2.00- $2.99	$3.00 & Over
Panties							
	1987	100%	21.8	25.2	25.6	17.5	9.9
	1986	100%	20.4	25.0	26.8	17.7	10.1

	Year	Total	Less Than $3.50	$3.50- $5.49	$5.50- $7.49	$7.50- $9.49	$9.50 & Over
Bras							
	1987	100%	23.4	20.3	14.1	12.2	30.0
	1986	100%	24.4	20.4	15.0	12.6	27.2
Daywear							
	1987	100%	13.8	18.4	20.1	14.8	32.9
	1986	100%	13.7	22.9	19.4	15.7	28.3
Girdles							
	1987	100%	21.7	24.1	11.4	8.1	34.7
	1986	100%	24.3	19.4	13.3	8.1	34.9

(continued)

CONSUMER PURCHASE PATTERNS

By Price Paid (continued)

Purchases of Women's Innerwear and Nightwear By Price Paid
Percent of Units, 1986, 1987
(continued)

	Year	Total	Less Than $6.00	$6.00- $8.99	$9.00- $11.99	$12.00- $14.99	$15.00 & Over
Nightwear							
	1987	100%	25.5	24.6	18.1	12.5	19.3
	1986	100%	25.2	26.3	18.5	11.7	18.3

	Year	Total	Less Than $10.00	$10.00- $14.99	$15.00- $19.99	$20.00- $24.99	$25.00 & Over
Loungewear							
	1987	100%	31.7	24.7	19.0	9.4	15.2
	1986	100%	28.8	24.7	18.5	11.0	17.0

Source: KSA/NPD Purchase Panel

By Fabric Types

Although polyester dominates as the primary fiber used in skirts, shorts, and blouses shirts, its use decreased as demand rose in 1987 for more natural fibers such as cotton.

Purchases of Women's Panties By Fabric/Fiber Content

	Percent of Units	
	1987	1986
Total	100.0%	100.0%
100% cotton	45.7	38.4
100% nylon	30.4	35.3
Nylon blends	10.3	11.3
Polyester/cotton	3.4	4.6
All other fibers	9.7	10.4

Purchases of Women's Bras, Girdles By Fiber Content

	Bras		Girdles	
	Percent of Units		Percent of Units	
	1986	1987	1986	1987
Total	100.0%	100.0%	100.0%	100.0%
Nylon dominant	46.8	46.5	78.8	74.5
Polyester dominant	24.6	26.5	2.1	3.1
Cotton dominant	10.1	9.6	4.8	6.2
All other fibers	18.5	17.4	14.3	16.2

Source: KSA/NPD Purchase Panel

By Fabric Types (continued)

Purchases of Women's Daywear & Nightwear By Fabric/Fiber Content

	Daywear Percent of Units		Nightwear Percent of Units	
	1986	1987	1986	1987
Total	100.0%	100.0%	100.0%	100.0%
100% Nylon	68.3	72.3	25.6	29.4
100% Cotton	9.3	8.5	23.1	20.8
100% Polyester	7.9	5.8	16.2	12.6
Poly/Cotton	6.9	4.8	17.1	17.4
All other fibers	7.6	8.4	18.0	19.8

Purchases of Women's Loungewear By Fabric/Fiber Content

	Percent of Units	
	1987	1986
Total	100.0%	100.0%
Polyester/cotton	26.5	26.4
100% polyester	18.8	20.5
100% cotton	16.9	10.7
Acetate dominant	13.2	17.1
Cotton blends	9.6	10.1
All other fibers	15.0	15.2

Source: KSA/NPD Purchase Panel

According to Simmon's Study of Media & Markets, 18.9% of all adult U.S. women purchased at least one slip and 45.3% purchased at least one brassiere during 1984-1985.

Seventeen Magazine conducted a survey of their readers representing a cross section of the female market age 13 to 21, in June 1987. 1,236 returns were processed, representing a completion rate of 61.8%. The favorite brand of panties was Jockey (14.6%) followed by Maidenform (5.7%), J.C. Penney, 3.8% and Calvin Klein 3.8%. The favorite brands of bras preferred were Bali (66%); Maidenform (13.6%); Playtex (6.8%) and Warners (6.7%).

Walter K. Levy Associates conducted a recent innerwear survey for Du Pont, covering a national panel of 1,070 women aged 18 to 65, with incomes over $15,000. Eleven merchandise managers, ranging from discount to specialty stores were also interviewed. The data suggest that there is more of a demand for newer silhouettes, such as teddies, camisole/top pant sets, and activewear/sweatsuits than traditional items. Most sleepwear and loungewear classifications are purchased less than once a year. The survey found consumers are less concerned about quality and fiber content in this category as opposed to outerwear, and this results in little willingness to pay high prices. Typically, 70% of nightgowns purchased are below $16, while 62% of robes sell for under $24.

The Levy survey also found that sleepwear and loungewear departments have not recognized the extent of consumers' crossover purchases, and have thus lost business to the sportwear and activewear departments.

CONSUMER PURCHASE PATTERNS

Bridal Market

Based on 1,414 responses to a survey of their readers conducted in April 1986 by Bride's magazine, 87% said they would wear a garter with their wedding dress and 73% said they would wear special lingerie (multiple responses are included).

Trousseau Purchases
By Bride's Magazine Readers

Panties	72%
Robes, negligees, loungewear	72
Sleepwear	68
Sportswear	66
Bras	63
Other day clothes	60
Bathing suits	57
Shoes	57
Panty hose	55
Evening wear	44
Handbag	31
Slips	25
Neckwear	8
Coat/raincoat	6
Total	*

* Total exceeds 100% because of multiple mentions

Amount Spent for Trousseau Purchases
By Bride's Magazine Readers

Amount Spent	Percent
Less than $100	10%
$100 - $199	21
$200 - $299	25
$300 - $399	17
$400 - $499	7
$500 - $999	12
$1,000 or more	8
	100%

Median Amount Spent	$249
Average Amount Spent	$370

SCHEDULE OF ADDITIONAL FACT FILES

THE CHILDREN'S MARKET: INFANTS', TODDLERS', GIRLS' AND BOYS' (APPAREL, JUVENILE PRODUCTS, TOYS/DOLLS): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

CONSUMER MARKET DEVELOPMENTS (1989 Edition): An overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are inclued as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

DEPARTMENT STORE SALES (1989 Edition): Outlines ownership change/ reorganizations in the past year affecting major department and specialty stores. Buying headquarter locations of stores are listed with information on sales and number of outlets included in this total. Notes are included on plans to open and/or close stores. Sales and outlet information is separately listed for corporate headquarter and for national chains.

DRESSES (WOMEN'S, MISSES' & JUNIORS'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, and value of shipments, industry location and trends in employment levels. Analyzed is the governing impact of imports on total U.S. market supply. Reatil sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

FOOTWEAR (MEN'S, WOMEN'S, BOYS', GIRLS') (A 1989 Edition): A statistical summary of the U.S. footwear industry and U.S. market. Covers domestic production and shipments, and details trends in imports and their share of the domestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising results for shoe departments.

HOME TEXTILES & RELATED PRODUCTS: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

HOSIERY/LEGWEAR/BODYWEAR (MEN'S, WOMEN'S, BOYS' GIRLS'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections and estimates are included on retail sales of major products by type of retail outlet.

HOUSEHOLD APPLIANCES, ELECTRIC HOUSEWARES: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

HOUSEHOLD FURNITURE AND BEDDING: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

MEN'S CLOTHING AND FURNISHINGS: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work,/career apparel/and tailored wear in both department and men's wear stores.

MEN'S SPORTSWEAR, CASUAL WEAR, OUTERWEAR: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

THE SPORTS/FITNESS/LEISURE MARKETS: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics and sports participation levels and purchases of specific sports equipment. Also buying habits in relation to activewear and sports equipment.

SPORTSWEAR, CASUAL WEAR, SEPARATES (WOMEN'S, MISSES' AND JUNIORS'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

THE TEXTILE/APPAREL INDUSTRIES: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

TOILETRIES, COSMETICS, FRAGRANCES AND BEAUTY AIDS: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

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